

# Chapter 63

## Good Entrepreneurial Intentions, No Entrepreneurial Action: Contradictory Perceptions Among Undergraduates

Thea Van der Westhuizen

 <https://orcid.org/0000-0001-8795-4023>

University of KwaZulu Natal, South Africa

### ABSTRACT

*Against the background of the extremely high youth unemployment rate in South Africa, a survey was conducted among final-year undergraduate business students, asking them to rate the importance of five entrepreneurial processes: 1) obtaining entrepreneurship-related education, 2) searching, 3) planning, 4) marshalling, 5) implementing. Responses indicated that they recognized the importance of all five and also displayed personality traits positively related to individual entrepreneurial orientation and entrepreneurial intent. Continuing deterioration in youth employment nonetheless suggests that good entrepreneurial intentions do not translate into sustainable entrepreneurial action. Respondents failed to recognize the importance of their lecturers' role in their business education and seemed not to perceive that they needed intensive support from their lecturers to become entrepreneurial. They also failed to recognize the crucial importance of solid ground-work before starting a new business. These gaps in knowledge have an important bearing on the high unemployment rate.*

### INTRODUCTION, BACKGROUND AND PROBLEM

Globally entrepreneurship pedagogy which embrace deep learning approaches to develop entrepreneurial self-efficacy (ESE) amongst nascent entrepreneurs play a pivotal role in developing the heart of an entrepreneurs. ESE relates specifically to the journey that aspiring entrepreneurs undertake in searching,

DOI: 10.4018/978-1-7998-5345-9.ch063

### ***Good Entrepreneurial Intentions, No Entrepreneurial Action***

planning, marshalling and implementing nascent business ideas (Van der Westhuizen, 2019). The levels and inclination of ESE that potential entrepreneurs develop influence directly the sustainability of their business development. Youth entrepreneurship is a pivotal necessity in creating employment because it reduces the number of unemployed and makes a positive contribution to national economic status and prospects of economic growth (Akinyoade & Uche, 2017). In countries such as South Africa it is vitally important to encourage the youth because they are aware of the evident problems in societies today and with the help of technology and developed infrastructure they can make successful use of the resources available to them. It is expected that universities and other tertiary institutions take action to help stem unemployment among graduates that they produce. A crucial factor in business start-ups that should be addressed by tertiary institutions is the high failure rate of small businesses. Tertiary institutions are a crucial training ground for business students, with most students going straight into starting up their own businesses after they graduate. But whereas universities tend to encourage small business start-ups they do not go into much detail on how to manage the businesses and keep them sustainable. The teaching institutions therefore have a responsibility to ensure that they equip their students with sufficient training and skills so that they are able to manage for at least the first few years as small business owners. Encouraging entrepreneurship and entrepreneurial action at university level will this produce business entrants who are not afraid of taking the risk of being entrepreneurs – whether as formal or informal traders, since both types create employment opportunities.

Crucial barriers that can be identified as exacerbating youth unemployment are the policies which are in place and the lack of understanding about entrepreneurial requirements that demotivates these graduates from keeping going in their business start-ups. Significant examples of these barriers can be listed as follows:

- Intent is not translated into entrepreneurial action among unemployed graduates, despite entrepreneurial education, (Yang, 2016).
- Little throughput despite heavy public and private investment in entrepreneurship (Alton, 2016).
- Poor sustainability despite incubation and business development agencies (News24, 2017).

Van der Westhuizen (2016) identifies five key processes in starting a new business: a) obtaining entrepreneurship-related education and training, b) searching, c) planning, d) marshalling, and e) implementing. The study reported in this chapter investigated what level of importance students attached to each of these five business start-up processes.

The research objectives were as follows:

**Research Objective 1:** To determine the perceived importance of entrepreneurship education

**Research Objective 2:** To determine if students regard information searching as a key aspect when starting a new business

**Research Objective 3:** To determine how important planning is considered to be when starting up a business

**Research Objective 4:** To determine how important marshalling is considered to be when starting up a business

**Research Objective 5:** To determine how important implementation of business strategies are considered to be when starting up a business

21 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

[www.igi-global.com/chapter/good-entrepreneurial-intentions-no-entrepreneurial-action/274417](http://www.igi-global.com/chapter/good-entrepreneurial-intentions-no-entrepreneurial-action/274417)

## Related Content

---

### To Teach Leadership Ethically or to Teach Ethical Leadership?: Leadership Education in the Polish Executive Education Context

Mike Szymanski and Anna Olszewska (2021). *Research Anthology on Business and Technical Education in the Information Era* (pp. 1317-1333).

[www.irma-international.org/chapter/to-teach-leadership-ethically-or-to-teach-ethical-leadership/274429](http://www.irma-international.org/chapter/to-teach-leadership-ethically-or-to-teach-ethical-leadership/274429)

### A Case Study in Supporting Distributed, Loosely-Controlled and Evolving Engineering iconologies

York Sure, Christoph Tempich, Sofia Pinto and Steffen Staab (2005). *Intelligent Learning Infrastructure for Knowledge Intensive Organizations: A Semantic Web Perspective* (pp. 357-368).

[www.irma-international.org/chapter/case-study-supporting-distributed-loosely/24423](http://www.irma-international.org/chapter/case-study-supporting-distributed-loosely/24423)

### Hollywood in the Classroom: A Resource for Teaching Business Ethics to Undergraduates

George W. Kester, Gregory J. Cooper, Roger A. Dean, Peter T. Gianiodis and Michael G. Goldsby (2012). *Handbook of Research on Teaching Ethics in Business and Management Education* (pp. 619-636).

[www.irma-international.org/chapter/hollywood-classroom-resource-teaching-business/61833](http://www.irma-international.org/chapter/hollywood-classroom-resource-teaching-business/61833)

### Putting Across Tangibility: Effectiveness of Case-Study-Based Teaching of Organisational Behaviour

Dieu Hack-Polay (2018). *Teaching Human Resources and Organizational Behavior at the College Level* (pp. 211-225).

[www.irma-international.org/chapter/putting-across-tangibility/187401](http://www.irma-international.org/chapter/putting-across-tangibility/187401)

### Evaluating Higher Education Institutions through Agency and Resource-Capabilities Theories: A Model for Measuring the Perceived Quality of Service

José G. Vargas-Hernández and Salustia Teresa Cano Ibarra (2017). *Innovation and Shifting Perspectives in Management Education* (pp. 246-268).

[www.irma-international.org/chapter/evaluating-higher-education-institutions-through-agency-and-resource-capabilities-theories/167937](http://www.irma-international.org/chapter/evaluating-higher-education-institutions-through-agency-and-resource-capabilities-theories/167937)