

The Impact of Subjective Norm on Entrepreneurial Intention of University Students in Uttarakhand State

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Abstract - Understanding Entrepreneurial Behaviour is one of the key elements in entrepreneurship research. Different psychological traits are proven by empirical research through which one can understand the entrepreneurial intentions. Out of which Subjective Norms i.e. support from the family and friends are one of the critical traits to understand. Studies from around the world have contradicted evaluations and results in terms of influence of Subjective Norms among university students. The purpose of this paper is to examine the influence of subjective norms among university students residing in rural and urban geographical area of Uttarakhand state and to examine the level of differences that affects entrepreneurial intention creation. A total of 250 questionnaires were collected from the university students of the state and the result shows a positive and significant influence of subjective norms that affects the entrepreneurial intention. The result also shows that there is significant difference of entrepreneurial intention formation among rural and urban students of the state.

Keywords: intention, behaviour, entrepreneurship, subjective norm, entrepreneurial intentions.

JEL classification: M1, M13

I. INTRODUCTION

A person becomes an entrepreneur through his ability to create a sustainable business and for this he should have the support of both external and internal factors. External factor consists of the friendly political policies, good environment of business whereas internal factors consists the psychology of the individual to motivate him to become an entrepreneur (Shook & Bratianu, 2010). The Theory of Planned Behaviour model introduced by Icek Ajzen in the year 1991 scientifically helps to extract out the internal factors by which an individual becomes motivated to pursue their career towards entrepreneurship. The three constructs of the model consists Attitude, Subjective Norm and Perceived Behavioural control. Erikson (1999) states that result of subjective norm for entrepreneurial intention from various studies vary from each other i.e. the support of family and friends. It has been found that Attitude and Perceived behavioural control has more roles on building entrepreneurial intention than Subjective Norm. But it is not evident to say that the same result will be applied in Indian context. The economic difference among the populace of India makes it difficult to find out the same result in terms of Subjective norm. Even geographical differences also play a major role for an individual to go for entrepreneurial

career (Kolevereid & Isaksen, 2006). This paper tries to find out the impact of subjective norm among university students of Uttarakhand state of India towards their entrepreneurial intention formation. With addition to this, the present study will also find out the differences of university student's entrepreneurial intention formation residing in rural hill regions with urban areas of Uttarakhand state.

II. LITERATURE REVIEW

Entrepreneurship as a profession is helping individuals to strengthen the positive impact by offering psychological, managerial and financial independence to entrepreneurs (Bhuyan & Pathak, 2017). Research on creation of venture and on what drives the decision to become an entrepreneur is an eclectic line of work that covers a broad range of subjects (Linan & Heuer, 2013). The demand for understanding the psychological aspects through scientific study to find out the traits that affects entrepreneurial intention is in rise since 90s (Rotefoss & Kolvereid, 2005). There are different behavioural models introduced to understand the intention of individuals, The Theory of Planned Behaviour model by Icek Ajzen and The Entrepreneurial Event Theory model by Shepero and