

Social Norms and Entrepreneurial Intent of Graduating University Students in North West Nigeria

Muhammad Kabir Abbas, Olutayo K. Osunsan, and Muhammad Kibuuka

Abstract—This study investigated the correlation between social norms and entrepreneurial intent of graduating university students in North West Nigeria. The study adopted quantitative research design. The study population was graduating students from seven universities selected from among the fourteen universities in Northwest Nigeria. A sample size of 379 was estimated from 24,000 graduating students using Krejcie and Morgan (1970) table. However, 364 questionnaires were retrieved. Simple random sampling was used to select the students who participated in the study. Data analysis was conducted using correlation analysis, and linear regression analysis of the study variables. The study revealed a positive and significant relationship between social norms and entrepreneurial intent ($r=.721^{**}$, $p=0.000<0.001$). Furthermore, the study revealed that social norms can significantly explain 51.8% of the variation in entrepreneurial intent (Adjusted $R^2=0.518$, $p=0.000<0.05$). The study concluded that appropriate social norms enhance development of entrepreneurial intent in students. The study recommended that the management of universities such as directorates of student welfare should put in place environments that promote building appropriate social norms among students.

Index Terms— Social Norms, Entrepreneurial Intent, Entrepreneurship, Northwest Nigeria.

I. INTRODUCTION

Entrepreneurship is a concept that has largely been accepted in the academic arena as an important element for promoting economic growth in Nigeria [1]. Indeed entrepreneurship is said to be the backbone of Nigeria's economy given the fact it accounts for more than eighty percent of enterprises that provide employment to about seventy percent of Nigeria's overall workforce [1]. However, recently entrepreneurial intent among young graduates has raised academic interest due to the ever increasing unemployment among students who have undergone entrepreneurship education and training. For instance, statistical data provides that the occurrence of graduate unemployment has reached a startling state. A 2018 report by National Bureau of Statistics indicated that graduate unemployment stood at 12.37 percent in 2015, 23.67 percent in 2016, 25.65 percent in 2017, and lately 29.75 percent in 2018. This statistical abstract therefore shades light that unemployment in the past four years has

been on tremendous increase and shows no indication of slowing down any time soon among young graduates in Nigeria.

Although there is a high level of unemployment among young graduates, entrepreneurship education has not been a remedy to the problem of unemployment with graduates showing no intent of entrepreneurship [2]. However, research has demonstrated that entrepreneurship positively influences employment and welfare [3], yet little research has been done to explain how an individual's social norms influences their intention to become and succeed as entrepreneurs. Thus this study hypothesizes that social norms significantly affect entrepreneurial intent of graduating university students.

II. LITERATURE REVIEW

A. Social Norm Theory

The Social Norms Theory was advanced by Perkins and Berkowitz in 1986. The Social Norms Theory posits that individual behaviour is influenced by oftentimes perceptions of how other members of social groups or community think and act [4]. The Social Norms theory predicts that persons express or exhibit behaviour in an attempt to conform to a perceived norm [4]. Social norms relate to the perception of the societies about the particular behaviour. Norms govern much of the social and political life; an established norm can be very powerful. Prevailing social reward system plays a very important role to pave the way for the development of behaviour. The course of action that is more awarded and appreciated with in a particular society will be adopted by the members. With respect to entrepreneurship, some of the societies are levelled high in entrepreneurship in comparison to others. This may be that in these societies entrepreneurial activities are appreciated hence, people are more inclined towards entrepreneurship [5].

B. Social Norm and Entrepreneur Intent

A norm is a widely shared expectation about action. This expectation may be passive, as in expectations about customary or approved action, or active, as in enforced expectations [6]. Social norms refer to the perception of the societies about the particular behavior [7]. Conforming to social norms is often the appropriate course of action because collective wisdom tends to serve the individual, and the group, well. Among other things, it can provide a convenient decision-making heuristic and thus obviate the need to think critically about the consequences of each decision before acting on it [8]. Social norms are directly associated with entrepreneurship because they are the reason for differences among the societies with respect to entrepreneurial activities.

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Social norms are connected to how we think of what those who are close to us like family members and friends perceive of our entrepreneurial intent. Thus their perception greatly influences our entrepreneurial intent if we are not proactive in our decisions [9]. Although this may seem to be true to a greater extent that family and friends can affect an entrepreneur's business decision, other factors such as school environment have a greater part to play too. For instance, in a school environment where the administration, the curriculum, and teachers or lecturers are supportive of entrepreneurial ventures, it is highly likely that most students will have interest in venturing into entrepreneurship [10].

Social norms may affect the status attributed to different occupations. In this respect, social norms can help explain the origin of non-pecuniary benefits from entrepreneurial activity [11]. The prestige that different social norms attribute to occupations can affect occupational choice. More individuals may decide to become entrepreneurs in a community because they have characteristics that make them more prone to entrepreneurial activity [12]. Additionally, some communities could have certain characteristics, such as easier access to funds, which generate the correlation between individual and aggregate occupational choices [13].

A study investigated the extent to which differences in population, business environment and cultural values contributed to explaining differences in entrepreneurial activity across Swedish municipalities [14]. The results indicated that social norms contributed to entrepreneurial activity. The authors concluded that individuals were highly likely to become entrepreneurs where there were more entrepreneurs, even if entrepreneurial income was low.

Furthermore, a study explored the influence of entrepreneurial education on intention to embark on entrepreneurial project after graduation [15]. The results revealed that entrepreneurial education significantly influences one's intention to take on entrepreneurial activity. The study offers experiential evidence that would help educational institutions to formulate novel educational creativities that could support young graduates in shaping their entrepreneurial intention.

Another empirical study investigated the moderating outcome of perceived social norms on the association between entrepreneurial knowledge and graduates entrepreneurial intention [16]. The findings indicated a significant association between entrepreneurial knowledge and graduates entrepreneurial intention, however, the moderating outcome of perceived social norms on the association between entrepreneurial knowledge and graduates entrepreneurial intention was negatively supported, signifying that young graduates prefer white collar jobs to entrepreneurship due to negative societal attitude towards entrepreneurship.

Additionally, a study was conducted on the influence of some contextual elements on entrepreneurial intention of institution of higher education students [17]. The study found a positive relationship between entrepreneurship networks and entrepreneurial activities. The authors indicated that the networks were used for purposes such as idea development, access to financial and social support, and building inspirations towards entrepreneurial activities. Consequently, a related study found a positive correlation

between the attitude of students towards entrepreneurship and social environment, with family, and social expectations of friends being moderating factors [18].

On the other hand, researchers have established that the absence of role models negatively affected entrepreneurial intentions among students [19]. The author argued that knowledge about a successful entrepreneur breeds entrepreneurial intent. This is because students who know of a successful entrepreneur would be more likely interested in entrepreneurship than those who have no such knowledge. The fact that entrepreneurship is controlled by the culture of an environment, students who live in entrepreneurially conducive environments will greatly be inclined to entrepreneurial venture.

In addition, a study was conducted to identify the factors that impact on entrepreneurial intention of tertiary students in Ghana [20]. The study found that financial support directly influences entrepreneurial intention. This is because knowledge of a financial support from family members and friends would motivate someone to venture into entrepreneurship.

However, other proponents did not find any significant association between social norms and entrepreneurial intention [21]. This is because social norms are considered very inadequate in explaining students' decisions to undertake entrepreneurial activities. In confirmation, a study on the factors affecting entrepreneurial intention of students of Vietnam National University found no significant relationship between social norms and entrepreneurial intention [22]. The authors argued that social norm may not be an essential element to a set of individuals who have strong traditions of entrepreneurship.

III. METHODOLOGY

The study adopted quantitative research design which focuses on numbers and collection of data to ensure the findings are generalizable to the population. The quantitative design, which is associated with interpretive philosophy, ensures that the study phenomena are understood in depth [23]. The choice for the design in this study allows generalization of the relationships between the study constructs, that is, social norms and entrepreneurial intent. The study population was graduating students from seven universities selected from among the fourteen universities in Northwest Nigeria. A sample size of 379 was estimated from 24,000 graduating students using Krejcie and Morgan (1970) table. However, 364 questionnaires were retrieved. Simple random sampling was used to select the students who would participate in the study. This sampling technique was preferred for its inclusiveness and non-biasness.

This study used closed ended questionnaires to collect data from university graduating students. The importance of using closed questionnaires in a study ensures reaching of a large sample population, wide geographical coverage within a short time, and collection of only variables within interest [24]. The study employed a 5-likert scale, where 1=strongly disagree and 5=strongly agree. The study's preference of the Likert scale questionnaire was because it is the greatest worldwide technique for survey collection and the responses are easily quantifiable [25]. Statistical Package for Social

Sciences (SPSS) version 22.0 was used to determine descriptive statistics, correlation analysis, and linear regression analysis of the study variables [26].

IV. RESULTS

This section provides the descriptive statistics, inferential statistics of the correlation and linear regression between social norms and entrepreneurial intent among university graduating students in northwest Nigeria. Tables 1, 2, 3, and 4 give the summary of the findings.

TABLE 1: SOCIAL NORMS

Social Norms	Mean \bar{x}	Std. Deviation
Most of my friends show desire to start enterprises	4.65	0.747
Together with my friends we spend much time talking about entering the business arena	4.46	0.762
My society gives more respect to entrepreneurs	4.35	0.931
My society encourages most people be entrepreneurs	4.23	0.948
Most of the people in my society people prefer to start enterprises than be employed	4.22	1.075
More often a person who is unable to get job, starts his/ her business in our society.	4.21	.927
Business is seen as good work in my society	4.18	1.004
In my society business is regarded the most dignified work	4.10	1.005
Average	4.30	0.925

Source: Filed data, 2019

Table 1 shows that majority of the students strongly agreed that most of their friends show desire to start enterprises ($\bar{x}=4.65$, Std=0.747), and that together with their friends they spend much time talking about entering the business arena ($\bar{x}=4.46$, Std=0.762). In addition, majority of the students strongly agreed that their societies give more respect to entrepreneurs ($\bar{x}=4.35$, Std=0.931), encourages most people to be entrepreneurs ($\bar{x}=4.23$, Std=0.948), thus such societies have made most people to prefer starting enterprises than be employed ($\bar{x}=4.22$, Std=1.075). Furthermore, majority of the students strongly agreed that in their societies, more often a person who is unable to get a job, starts his/ her business ($\bar{x}=4.21$, Std=0.927). The students also agreed that businesses are seen as good work in their societies ($\bar{x}=4.18$, Std=1.004) and as such they are regarded as the most dignified work ($\bar{x}=4.10$, Std=1.005).

The above responses imply that friends and societal attitude towards entrepreneurship is a driving force that shapes the entrepreneurial intent of graduating students in northwest Nigeria.

TABLE 2: ENTREPRENEURIAL INTENT

Entrepreneurial Intent	Mean \bar{x}	Std. Deviation
Among various options, I would rather be an entrepreneur	4.29	0.679
I am up to the task of setting up my business	4.29	0.663
To set off a business and keep it functioning would be easy for me	4.20	0.992
I am capable to control the formation process of a new business	4.04	0.854
My qualification has offered me with adequate knowledge required to start a business	4.01	0.684
It would be very easy for me to develop a business idea	3.98	0.876
I am prepared to do anything to be an entrepreneur	3.91	0.774
Being an entrepreneur implies more merits than demerits to me	3.90	1.084
I believe I am completely able to start a business	3.88	0.787
Average	4.06	0.821

Interpretation: 4.21-5.00 (strongly agree); 3.41-4.20 (agree); 2.61-3.40 (not sure); 1.81-2.60 (disagree); and 1.00-1.80 (strongly disagree)

Table 2 shows that majority of the students strongly agreed that among various options, they would rather be entrepreneurs ($\bar{x}=4.29$, Std=0.679) by starting their own businesses ($\bar{x}=4.29$, Std=0.663). In addition, several students agreed that it is easy for them to set up a business and keep it running ($\bar{x}=4.20$, Std=0.992) since they already have the capability to control the formation process of any new business ($\bar{x}=4.04$, Std=0.854). Furthermore, students agreed that their qualifications have offered them with adequate knowledge required to start a business ($\bar{x}=4.01$, Std=0.684), thus making it easier for them to develop business ideas ($\bar{x}=3.98$, Std=0.876). Similarly, most of the students agreed that they were well prepared to do anything to be entrepreneurs ($\bar{x}=3.91$, Std=0.774). This is because they believed that being entrepreneurs implied more merits than demerits to them ($\bar{x}=3.90$, Std=1.084). Thus due to the merits attached to entrepreneurship, several students indicated that they would be able to start businesses ($\bar{x}=3.88$, Std=0.787).

The above responses imply that entrepreneurial education which is the same as environmental factors such as design of entrepreneurship curriculum, school policies that support entrepreneurship and availability of competent entrepreneurship teachers or lecturers triggers students' entrepreneurial intent.

TABLE 3: THE RELATIONSHIP BETWEEN SOCIAL NORMS AND ENTREPRENEURIAL INTENT

Social Norms		Social Norms	Entrepreneurial Intent
Pearson Correlation	1		.721**
Sig. (2-tailed)			.000
N	364		364

** . Correlation is significant at the 0.01 level (2-tailed).

VI. CONCLUSION

This study investigated the effect of social norms on graduating students in northwest Nigeria. The finding indicated a positive relationship between the two variables. This implies that appropriate social norms enhance development of entrepreneurial intent in students. This is especially true when students are also accessing entrepreneurship education in institutions of higher learning such as universities. In other words, students who have undergone proper entrepreneurial education in their courses may easily feel the desire to venture into entrepreneurial activity if they have the support of their family members and friends in terms of finance. Thus, a positive entrepreneurial environment and supportive relatives are precursors of entrepreneurial intent among graduating students. Therefore, management of universities such as directorates of student welfare should put in place environments that promote building appropriate social norms among students. This should involve putting in place activities that make students get involved in discussing entrepreneurial activities and develop contacts with successful entrepreneurial environments.

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Table 3 shows that there is a positive and significant relationship between social norms and entrepreneurial intent ($r=.721^{**}p=0.000<0.001$). This implies that the higher the social norms that support entrepreneurship among graduating students, the higher the likelihood of having entrepreneurial intent.

TABLE 4: THE EFFECT OF SOCIAL NORMS ON ENTREPRENEURIAL INTENT

Variables regressed	R ²	F	Sig
Social norms and entrepreneurial intent	0.520	391.526	0.000
Coefficients	Beta	t	Sig
Constant	2.145	21.563	0.000
Social norms	0.453	19.787	0.000

a. Dependent Variable: Entrepreneurial Intent

Table 4 shows that social norms can significantly explain 52% of the variation in entrepreneurial intent (Adjusted R²=0.520, $p=0.000<0.05$). This implies that social norms significantly affect entrepreneurial intent. In other words, it signifies that friends and family members are mostly likely to influence the decision of graduating students to venture into entrepreneurship. That is to say, when friends and family are positive in terms of attitude and finance, then entrepreneurial intent can easily be hatched. Thus the earlier hypothesis that social norms significantly affect entrepreneurial intent of graduating university students is upheld and the null hypothesis is rejected. This is because the p-value (0.000) is less than the universal acceptable value of 0.05.

V. DISCUSSION

The study revealed that social norms had a direct and positive significant relationship with entrepreneurial intent. The direct relationship between social norms and entrepreneurial intent is also supported by previous scholars such as [17], [18], [20], and [22]. For example, one study found a positive correlation between the attitude of students towards entrepreneurship and social environment; with family, and social expectations of friends being moderating factors [18]. Likewise, another study found that financial support directly influenced entrepreneurial intention [20]. Additionally, a study found a positive relationship between entrepreneurship net-works and entrepreneurial activities [17]. These empirical findings therefore imply that social norms can help explain the origin of non-pecuniary benefits from entrepreneurial activity. The prestige that different social norms attribute to occupations can affect occupational choice. More individuals may decide to become entrepreneurs in a community because they have characteristics that make them more prone to entrepreneurial activity.

However, other studies found no significant relationship between social norms and entrepreneurial intent [19], [22]. The authors found that the absence of role models negatively affected entrepreneurial intentions among students, thus paving way for no influence of social norms on entrepreneurial intention.

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