



EVALUATION ON ENTREPRENEURIAL INTENTIONS OF SRI LANKAN YOUTH GENERATION WITH SPECIAL REFERENCE TO KURUNEGALA DISTRICT

W A I Lakmal

H H B Fernando

SLJBF 06.02.07: pp. 103-123

ISSN 2345-9271 (Print)

ISSN 2961-5348 (Online)

DOI: <http://doi.org/10.4038/sljbf.v6i2.50>

Abstract

Entrepreneurs are often referred to as "economic growth engines" as they can make a significant positive impact towards the social and economic development of a country. Thus, the purpose of this study was to investigate the entrepreneurial intentions of Sri Lankan youth in the Kurunegala district. The United Nations defines youth as those aged 15 to 24, and the World Health Organization recognizes this age group as the youth population. This study used the assumptions of the Theory of Planned Behavior (TPB) model to address issues of entrepreneurial intentions. Social norms, entrepreneurial education, risk-taking proclivity, and attitude toward entrepreneurship were all independent variables. Entrepreneurial intention was the dependent variable. The population consisted of 384 Kurunegala district youth associated with the entrepreneurship discipline, and they were chosen as samples using purposive sampling techniques. A self-administered, closed-ended questionnaire was used to collect data, which was then analyzed using SPSS across multiple regression tests. There was no evidence of multicollinearity or heteroscedasticity. As per the results, entrepreneurial education, and attitude towards entrepreneurship have positive and significant relationship towards entrepreneurial intention whereas only risk-taking propensity did not contribute significantly towards entrepreneurship intention. Therefore, this discovery significantly contributes to our understanding of the factors influencing young people's entrepreneurial intentions in Sri Lanka. Furthermore, given the importance of entrepreneurial education as demonstrated by this study, it is critical that the nation take the necessary steps to advance entrepreneurial education and it is suggested that the entrepreneurship curriculum for students and undergraduates place more emphasis on developing youth's entrepreneurial education and attitudes.

Keywords: Entrepreneurial Education, Entrepreneurial Intention, Risk-taking Propensity, Planned Behavior

W A I Lakmal

(Corresponding Author)

Department of Banking & Finance, Wayamba University of Sri Lanka

H H B Fernando

Department of Banking & Finance, Wayamba University of Sri Lanka

Email: lakmalwai@wyb.ac.lk

Tel: +94 76 4868 232

<https://orcid.org/0009-0008-1845-2431>

Email: hirunif78@gmail.com



1. INTRODUCTION

1.1 Background of the Research

Academics and policymakers have recently expressed an interest in entrepreneurship. This concern stems primarily from the growing need for entrepreneurs who can spur economic development by creating novel concepts and converting them into successful ventures. Furthermore, there is a high demand for entrepreneurs right now because many people believe it is the most effective way to get out of the current economic crisis. Entrepreneurs are often referred to as "economic growth engines." They have made significant positive contributions to a country's social and economic development. Entrepreneurship education can foster and develop young people's entrepreneurial interests. Because of this, there is general consensus regarding how crucial it is to support entrepreneurship in order to promote economic growth and job creation.

Entrepreneurial activities not only foster technological innovation; they also create job opportunities and increase competitiveness (Reynolds, 1987). Many entrepreneurs begin small and medium-sized businesses. Small and medium-sized enterprises (SMEs) account for only 80 percent of all businesses in Sri Lanka. SMEs are an important source of employment opportunities, accounting for approximately 35 percent of total employment. Inventions are also prevalent in the SME sector. Small innovative businesses are frequently fast-growing businesses that create new jobs.

One way to think about economic development in a territory is as a long-term process of sustained growth in average production per capita. In this sense, it is the result of businesses introducing innovations that allow for increased productivity, primarily technical and organizational ones. These then improve the distribution of factors used in the manufacturing process. Because of this economic function of their work, the researcher may emphasize the critical role that entrepreneurs play as development agents. Entrepreneurs, according to it, are in charge of promoting firms and enterprises; they also inject energy into local economic activity; manage organizational and technological change; and foster an environment conducive to innovation and learning. According to (Kelley et al 2010), Entrepreneurship can be a source of income when there aren't enough jobs or other options for paying wages or salaries while also adding value to society. In addition, Indarti et al., (2010) found that future aspirations to become entrepreneurs were highly impacted by a background in non-economic and business education. For a long time, many nations have considered business entrepreneurship to be one of their primary strategic priorities. Entrepreneurship is one of the main strategies for promoting economic expansion and employment creation. The major socio economic problems in developing countries are youth unemployment and poverty. In recent years, Sri Lanka's general standard of living has declined, owing primarily to citizen poverty and unemployment. The number of unemployed people in Sri Lanka increased to 419163 in the third quarter of 2022, up from 398713 in the second quarter of 2022, according to data from the Department of Census and Statistics.

The age group between 15 and 24 years is defined as a youth by the United Nations, and the World Health Organization also recognizes this age group as the youth population. The significance of youth entrepreneurship in any economy cannot be emphasized (Abubakar and Muhammed, 2018), as it is the next generation of entrepreneurs who will decide the economic sustainability of a nation. The economy can expand more quickly and unemployment is predicted to decline when young people see the benefits of entrepreneurship (Glinskiene and Petuskiene, 2011). Sri Lankans have traditionally preferred white-collar, public-sector jobs that provide a pension to the high-risk path of self-employment. According to statistics, the public sector employs one government employee for every 15 citizens. This is why push entrepreneurs are so popular. This means that people start businesses out of necessity rather than opportunity. Young people who choose to pursue self-employment through entrepreneurship have the chance to employ others in addition to themselves. One of the career options open to young people is entrepreneurship, according to (Beeka and Rimmington, 2011). Starting a business in Sri Lanka is a difficult task. The list includes funding, structuring, planning, market understanding, and so on. The success of any startup is dependent on identifying the best solution to each of these problems and confronting them head on.

There are now numerous programs available to assist startups in Sri Lanka. To assist aspirant entrepreneurs, there are 27 platforms and programs that support and mentor Sri Lankan businesses. They are as follows: Youth Business Sri Lanka (YBSL), Venture Engine, Sporulation, Crowd island, Blue Ocean Ventures, Lankan Angel Network, John Keels X, Idea2Fund, Slingshot, Startup X Foundry, Disrupt Unlimited, Lanka Ventures, East West Capital, The Emerald Fund, Browns Capital PLC, Venture Frontier Lanka, Sri Lanka Technology Incubator-Concept Nursery, Youth Hack Sri Lanka's Startup Challenge, Startup Weekend, Seed Aside from these, there is another organization known as the National Enterprise Development Authority (NEDA). NEDA promotes, encourages, and facilitates enterprise development in Sri Lanka, with a focus on the country's Micro, Small, and Medium Enterprise (MSME) sector. Despite the fact that there are numerous programs in Sri Lanka, it has been found that the general public is not very familiar with them. One of the primary causes of this is people's lack of interest in entering the entrepreneurial field due to the risk factor. Another factor is people's ignorance of the various types of business that allow them to pursue their desired career. As a result, understanding their intention is critical before taking additional actions to improve entrepreneurial intention.

1.2 Problem Statement

How to place young people in productive jobs is a major issue for developing countries, particularly Sri Lanka. Every year, a large number of young people in Sri Lanka graduate from higher education institutions without finding suitable employment. One tactic to reduce unemployment and the social problems that come with it is entrepreneurship. Economic development officials believe that encouraging an entrepreneurial culture will result in more new businesses and job growth. A postsecondary degree no longer ensures employment because of the current economic downturn and the quick advancement of technology. The government has included

courses on entrepreneurship in school and university curricula in an effort to somewhat reduce unemployment. This policy direction is likely to be infused with a deep sense of relief when it is found that entrepreneurship has the potential to generate income when an economy is unable to provide enough jobs or other alternatives for generating wages or salaries, even when positive social value exists. Additionally, it's thought that a career influenced by entrepreneurship offers a lot of chances for people to live a freer life, make more money, and contribute to economic growth, job creation, and innovation in the economy.

Despite the benefits of entrepreneurship and the availability of entrepreneurship education in Sri Lankan institutions, a large number of young people from that country are seen hopping from one location to another in search of better employment opportunities. This demonstrates that entrepreneurship engagement is more dependent on motivation than on education. This is because intentions can predict people's actions, especially when such actions are unusual, difficult to detect, or involve unpredictable time gaps. Consequently, it has been demonstrated that the most accurate indicator of entrepreneurial activity is entrepreneurial ambition. As a result, entrepreneurship education may not actually propel people into entrepreneurship unless individuals' intentions are truly evolved toward self-employment. This has prompted interested entrepreneurship researchers to focus their efforts on the factors influencing entrepreneurial intention.

One of the districts in Sri Lanka with the densest population is Kurunegala. Its population is diverse and includes a large number of young people, making it a perfect place to conduct research on adolescent entrepreneurship. When it comes to population density, Kurunegala district is ranked third out of the 25 districts. The district offers a wide variety of industries and economic activities and encompasses both urban and rural areas. This diversity can offer crucial insights into the ways in which various environments affect the entrepreneurship of young people.

The Department of Census and Statistics projects that in 2020, the unemployment rate in the Kurunegala district will be 5%. 226,632 young people between the ages of 15 and 24 are unemployed. Numerous educational facilities, including universities and career training centers, are located within the district. The availability of educational materials can impact the entrepreneurial aptitude and goals of youth. The result is that 92.7 percent of adults in Kurunegala District who are over ten years old are literate. Most people can read and write when there is a high literacy rate. It is determined by assessing a person's writing and reading comprehension. Kurunegala's road system and public transport accessibility are two major factors that affect how easy it is to establish and operate a business there. Understanding these aspects is critical for studies on young entrepreneurs. As a result, the researcher considered the Kurunegala district in order to obtain more reliable and accurate information for this study.

There are few researches conducted on the entrepreneurial intention in the Sri Lankan context. Thrikawala (2011) has analyzed the entrepreneurial intention among the academics in Sri Lanka and identified that gender, family business experience, type and year of study programmes have had a significant impact on the entrepreneurial

intention among academics. Weerakoon and Gunatissa (2014) studied the entrepreneurial intention of undergraduates from Uva Wellassa University of Sri Lanka, and found that higher the perceived desirability and perceived feasibility higher the likelihood of entrepreneurial intention. Further, adequate statistical evidence was not found to support a significant predicting capacity of perceived social norms. Moreover, Lin, Casrud and Jagoda (2013) conducted a study on entrepreneurial intention among undergraduate business students in Sri Lanka and realized that entrepreneurial intention is positively influenced by perceived behavioral control and macro-environment support and attitudes towards entrepreneurship and subjective norms were not significantly related to intentions. Therefore, it is clear that there are few researches conducted on entrepreneurial intention in Sri Lankan context and these studies reveal different aspects about entrepreneurial intention and most of these studies are not conducted in the recent past. Thus, there is a literature gap for a study conducted in the current era in Sri Lanka.

The main research objective of this study is to examine the impact of attitude towards entrepreneurship on entrepreneurial intention of youth. And the specific research objectives are to evaluate the impact of risk-taking propensity on entrepreneurial intention of youth. To evaluate the impact of subjective norms on entrepreneurial intention of youth and to evaluate the impact of entrepreneurial education on entrepreneurial intention of youth.

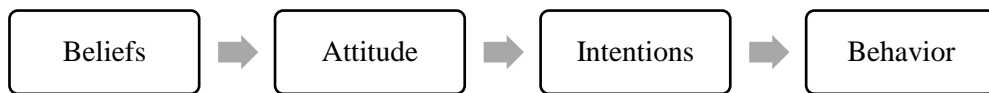
This paper further discusses the past empirical research conducted about entrepreneurial intention in the literature review followed by the methodology, data presentation, analysis and conclusion and recommendations.

2. LITERATURE REVIEW

2.1 Theoretical Literature

Ajzen (1991) proposed the Theory of Planned Behavior (TPB) as a framework for measuring global entrepreneurial intention. This is because frameworks are used differently in different contexts, topics, locations, and institutions (Fayolle, Gailly and Lassas-Clerc, 2006). The TPB, on which this study is based, asserts that the relationship between intention and behavior is influenced by attitude, subjective standards, and perceived behavioral control (Ajzen, 1991). The Theory of Planned Behavior can be used to predict a wide range of human intentions and behaviors. The psychological literature makes the assumption that the desire to start a new business is the best surrogate for characterizing entrepreneurial behavior (Souitaris, Zerbinati and Al-Laham, 2007). TPB is therefore used to express a person's intention to engage in a particular behavior, and this has been widely employed by various researchers to quantify entrepreneurial ambition. As behavior may be planned, it is believed that intention predicts a purposeful action (Abdul Kadir *et al.*, 2012). As a result, entrepreneurial behavior may not always be motivated by business interests (Garba, Kabir and Nalado, 2014). Consequently, intentions can accurately predict behavior, particularly when that behavior has some irregular lags. The real action is projected as soon as the intention is created (Bae *et al.*, 2014). In TPB, two elements that affect

intention are attitude and subjective norms. Entrepreneurship purpose is anticipated to either explain or affect the strength of these two components.



Source: *The Theory of Planned Behavior* (Ajzen, 1991)

2.2 Empirical Literature

2.2.1 Entrepreneurial Intention

As per Elnadi and Gheith (2023), “developing entrepreneurial intention is the first step in the entrepreneurial process since it reflects an individual's willingness and commitment to create a new business, and any more entrepreneurial moves would be impossible without it”. Further, Intention is said to be “the indication of how hard people are willing to try, of how much effort they are planning to exert, in order to perform the behavior” (Ajzen, 1991). A person is generally more likely to engage in a given behavior the stronger their intent. Because it is difficult to measure actual behavior in research, studying intention is beneficial (Lan and Wu, 2010). Entrepreneurship action and intention are strongly linked. Intention has been described as a direct predictor of behavior by (Ajzen, 1991). Entrepreneurial behavior is intentional and planned, according to (Krueger, Reilly and Carsrud, 2000). People with entrepreneurial intention were able to come up with creative ideas for starting their businesses because it was defined as “a state of mind that directed and guided the actions of the entrepreneurs in developing and implementing new business concepts.” This demonstrated that people who wanted to start their own business would engage in a variety of entrepreneurial activities that could be beneficial and useful in estimating their future businesses. A person tasked with finding, investigating, and formulating a novel business idea in order to become a potentially prosperous entrepreneur and establish a company that can effectively compete with established enterprises in the market.

2.2.2 Attitude towards entrepreneurship

According to (Dewi Astuti and Martdianty, 2012), attitude is a person's positive or negative assessment of a particular behavior that is influenced by their overall behavioral beliefs. The evaluative implications of pertinent facts or beliefs that are stored in memory shape an individual's attitude. It was discovered that there was a strong positive correlation between entrepreneurship intention and attitude (Otuya. R, P and J, 2013). (Paço *et al.*, 2011) Do point out in particular that attitude really has the most significant influence in influencing entrepreneurial intention when compared to other characteristics. (Shepherd, 2002) found that people who are more likely to want to launch their own company also tend to be “more positive” about risk (i.e., less risk averse) and independence (i.e., value independence more). Therefore, people who have a strong desire to start their own business gain more freedom and suffer less from risk-related disutility. It has been established that the likelihood of that individual finding sufficiently profitable opportunities is higher (presuming a

distribution of income over opportunities for self-employment) (Shepherd, 2002). Additionally, this person will "make the jump" to working for themselves more easily. In contrast, the one who has a less optimistic outlook on independence should, given the same circumstances, wait for (less frequent) more lucrative self-employment possibilities. We developed a hypothesis to illustrate the relationship between psychological traits and entrepreneurial intention.

2.2.3 Entrepreneurship Education

A person's knowledge, which can be acquired through education, will decide how likely they are to launch their own company. An activity to develop knowledge and skills in creating knowledge and skills in managing the firm is entrepreneurship education. The practice of imparting entrepreneurial information and abilities to people allows them to take advantage of business opportunities. Entrepreneurship education involves creating knowledge and skills for business operation. The efficiency of entrepreneurial education will also influence one's level of business management scientific knowledge. You'll learn how to market your current business chances with the help of an effective entrepreneurship education. Education in entrepreneurship will also broaden each person's knowledge on how to generate business ideas. So, the degree of entrepreneurial education's effectiveness will have an effect on that intention. Developing a passion and a range of skills in young people is the aim of entrepreneurial education. Its goal is to guide the business successfully from its inception to maturity while reducing the risk associated with entrepreneurship.

Research on entrepreneurship education revealed that people are more likely to pursue opportunities for self-employment when they are exposed to information about beginning a business (Frank, 2007). It is essential to provide opportunities for entrepreneurship education and skill development in order to support the desire to engage in entrepreneurial activities. Entrepreneurial education and intentions examined the overall effects of entrepreneurial education on intention and assessed whether students' entrepreneurial ambitions were higher or lower before or after taking an entrepreneurship course or program. (Neck and Greene, 2011) "Our purpose was to acknowledge that we teach in several different worlds. Many teach in more than one world, but the environment for entrepreneurship is changing whereas education for entrepreneurship is not".

2.2.4 Subjective Norms

Subjective norm is another social factor that precedes intention. According to the (Ajzen, 1991), subjective norm describes "perceived social pressure to engage or not to engage in behavior". According to (Engle *et al.*, 2010), the terms "social norm" and "subjective norm" refer to the social pressure that comes from people's parents, friends, partners, or other significant roles. The relationship between social norm and entrepreneurial intention has been the subject of contentious research in the past. (Van Gelderen *et al.*, 2008) discovered that social norms had a significant role in describing intention toward entrepreneurship; they also emphasized the good social norm that students with entrepreneurial family members and friends possessed. Positive relationships between social norm and entrepreneurial intention have also been found

by (Carr and Sequeira, 2007). The strong social pressure to engage in a specific behavior is known as the subjective norm (Ajzen, 1991). It's the knowledge that friends, relatives, and coworkers have about the particular behavior in question. Perceived social desirability is another term for subjective norm (Neck and Greene, 2011). An entrepreneur is more likely to engage in entrepreneurial activity if there are more people in their social network who support their decision to become an entrepreneur (Angriawan *et al.*, 2012). According to this study, there is a strong positive correlation between entrepreneurial intention and subjective norms.

2.2.5 Risk taking propensity

In the world of entrepreneurship, taking calculated risks is the newest tactic. Taking a risk could lead to achievement or disappointment. As a result, before making a decision, business owners should consider the risks involved as well as the advantages and disadvantages of taking calculated risks at every stage of their enterprise. For entrepreneurs, taking risks is more acceptable than for others. One of the most important traits of successful entrepreneurs is risk tolerance. Entrepreneurs take financial, reputational, family, and career risks when they decide to start their own businesses. Risk-takers might want to start their own businesses and pursue entrepreneurial goals. Several empirical studies have shown that a key component of understanding an entrepreneur is their inclination to take risks. (Gürol and Atsan, 2006); (Relationship and Marino, 2008); (Verheul, Stel and Thurik, 2006). They found that a person's propensity for taking chances significantly influences their entrepreneurship. having the capacity to control risk and uncertainty and to be ready to handle them. Risk-takers are capable of making choices that have a lower likelihood of success but nevertheless turn out well. When things are unclear, they are more willing to make decisions. Entrepreneurs run a number of risks to their personal relationships, reputation, money, and careers. A person with a desire to succeed in business should be somewhat risk averse. More risks are taken by entrepreneurs than by others, according to several studies (Ahmed, 1985); (Meyer, Walker and Litwin, 1961).

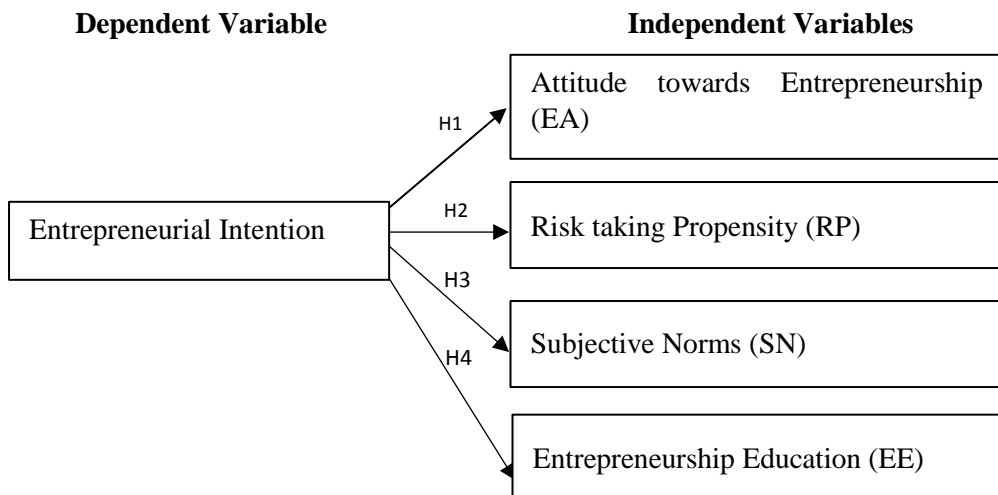
3. METHODOLOGY

The research logic that outlines the procedures required to conduct a project in detail is known as research design. This study used a quantitative methodology. The research entails the definition and examination of correlations between dependent and independent variables using an objective, formal, and logical process. This strategy was adopted and used as a result of the particular benefits it provides, namely that it is simple, time-saving, and affordable. A deductive approach is a method of reasoning that starts with a general premise or set of premises and ends with a particular conclusion. In deductive reasoning, if the premises and the logical framework are true, then the conclusion must also be true. It is a top-down method where predictions or precise conclusions are made using a broad assertion or hypothesis. This study used a survey approach to gather data from the target group through the use of a structured, self-administered questionnaire. Since the data was gathered all at once, a cross-sectional research design was used. Finding potential target populations for support and intervention may be aided by this. The youth in the Kurunegala district

serve as the study's analytical unit. They may be employed or unemployed youth. According to the United Nations report on Unlocking the Potential of Youth (2016), there are around 4.64 million youth in Sri Lanka. In Kurunegala district, there are around 220,000 youths. So, according to the Morgan table, the sampling size set by the researcher is around 384. Purposive sampling technique was chosen as the method of data collection.

3.1 Conceptual Framework

The theory of planned behavior proposes two conceptually distinct variables as the primary determinants of entrepreneurial intent: attitude toward the conduct and subjective norms. A thorough review of the literature finds a paucity of empirical studies examining the relationship between entrepreneurial education, subjective norms, risk-taking propensity, and attitude among young people in Sri Lanka. The conceptual paradigm shown in Figure 3 was consequently proposed.



Source: Author Developed

Figure 1: Conceptual Framework

3.2 Formation of Hypotheses

Researcher tests the entrepreneurial intention by formulating the hypotheses which are based on the research objectives, theoretical and empirical foundation.

H₁: there is a significant impact of attitude towards entrepreneurship on entrepreneurial intention of the youth

H₂: there is a significant impact of risk-taking propensity on entrepreneurial intention of the youth

H₃: there is a significant impact of subjective norms on entrepreneurial intention of the youth

H₄: there is a significant impact of entrepreneurship education on entrepreneurial intention of the youth

Table 3.1: Operationalization Table

Factor	Measurement indicator	Source
Entrepreneurial Intention	Entrepreneurial readiness Professional goal Effort to start and run a firm Intention to create a firm in the future Thought about starting a firm	Línān & Chen (2009), Dinis et al. (2013)
Subjective Norm	People's opinion about the acceptance of starting own business The culture towards entrepreneurial activity Support of family start own business Opinion about the entrepreneur's role in the economy in the country Believe of the closest family about pursue a career as an entrepreneur.	Heuer and Kolvereid, 2014); Liñán, Urbano and Guerrero (2011)
Risk taking Propensity	Intention about try new things Intention about using new routes when traveling Have taken a risk in the last six months. Intention about starting a business if there is a risk it might fail Concern about risk of failure	Keong, L. C. (2008) Verheul et al (2006)
Entrepreneurial Attitude	Intention about being own boss than have a secure job. Intention about making money if you are self-employed. Intention about forming a new company than be the manager of an existing one Willingness to the challenge of creating a new business. Intention about making money.	Línān & Chen (2009)
Entrepreneurship Education	Place for learn about starting a business Inspiration of a creative university/school environment to develop ideas for new business Encouragement of university/school to pursue business ideas Importance of entrepreneurial courses/subjects in order to stimulate entrepreneurial spirit Help of education programs to start own business	Keat, Selvarajah and Meyer (2011)

4. DATA PRESENTATION AND ANALYSIS

4.1 Description of the Actual Sample

394 questionnaires were collected and 384 sets of questionnaires were successfully used in this study. Out of the 384 respondents, 206 are male (53.6 Percent), 178 are

female (46.4 Percent), and 384 (100 Percent) of them are between the ages of 15-24 years. Work experience among respondent's accounts for 280 (72.9 Percent) while respondents with no work experience accounts for 104 (27.1 Percent). Respondents that once owned a self-business are 109 (28.4 Percent) and those that do not are 275 (71.6 Percent).

4.2 Examining the Data

The validity and reliability of the questionnaire were not examined in this study because it was created using data from earlier research. In the previous studies, Cronbach's alpha value of all the variables above than 0.7. Also, the validity has been measured through Kaiser-Meyer Measures and Bartlett's Test.

4.2.1 Normality Testing

Table 4.1 provides the skewness and kurtosis statistics. Low values of skewness and kurtosis signify trends toward normality, while high values imply non-normality. In this instance, the values of skewness and kurtosis are always between -1.96 and +1.96, showing that neither extreme tilts to the right or left exist in the distribution of score from answers. As a result, we can say that the normality assumption is true.

Table 4.1: Statistics on Skewness and Kurtosis

	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
Entrepreneurial Intention	-0.177	0.125	0.068	0.248
Subjective Norms	0.276	0.125	-0.403	0.248
Entrepreneurship Education	0.052	0.125	-0.257	0.248
Risk Taking Propensity	-0.131	0.125	0.484	0.248
Attitude Towards Entrepreneurship	0.155	0.125	-0.417	0.248

Source: Research Data

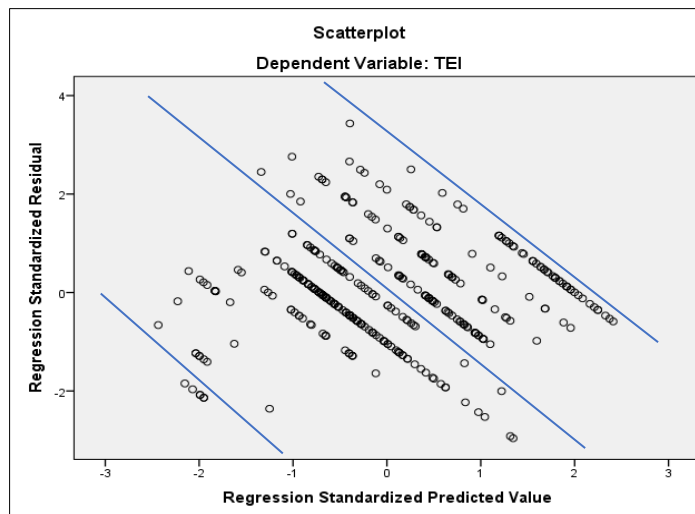
4.2.2 Linearity Testing

A linear regression model assumes that the average outcome is linearly connected to each term when all other terms in the model are held constant. The linearity test is a statistical technique used to determine whether a relationship between two variables is linear. When all other terms in the model are held constant in linear regression, the average outcome is assumed to be linearly related to each one. Linearity can be tested using SPSS's linearity test. The p values are all less than 0.05. As a result, all of the values in the above table are significant. As a result, the linearity assumption is satisfied.

Table 4.2: Testing linearity

			Sum of Squares	df	Mean Squares	F	Sig.
TEI*TSN (Entrepreneurial Intention and Subjective Norms)	Between Groups	(Combined)	32.085	10	3.208	26.861	.000
		Linearity	29.206	1	29.206	244.514	.000
		Deviation from Linearity	2.878	9	.320	2.677	.005
	Within Groups		44.554	373	.119		
	Total		76.638	383			
TEI*TEE (Entrepreneurial Intention and Entrepreneurship Education)	Between Groups	(Combined)	40.882	10	4.088	42.646	.000
		Linearity	33.407	1	33.407	348.491	.000
		Deviation from Linearity	7.474	9	.830	8.663	.000
	Within Groups		35.757	373	.096		
	Total		76.638	383			
TEI*TPR (Entrepreneurial Intention and Risk Taking Propensity)	Between Groups	(Combined)	31.876	12	2.656	22.016	.000
		Linearity	26.070	1	26.070	216.070	.000
		Deviation from Linearity	5.806	11	.528	4.375	.000
	Within Groups		44.762	371	.121		
	Total		76.638	383			
TEI*TEA (Entrepreneurial Intention and Entrepreneurship Attitude)	Between Groups	(Combined)	47.330	10	4.733	60.235	.000
		Linearity	43.609	1	43.609	555.000	.000
		Deviation from Linearity	3.721	9	.413	5.262	.000
	Within Groups		29.308	373	.079		
	Total		76.638	383			

4.2.3 Testing Homoscedasticity



Source: Research Data

Figure 2: Scatterplot

The homoscedasticity assumption—literally, "same variance"—lays the groundwork for linear regression models. The condition is called homoscedastic when the error term remains constant across all values of the independent variable. Heteroscedasticity, or the breach of homoscedasticity, occurs when the error term's magnitude fluctuates across values of an independent variable. The effects increase with increasing heteroscedasticity, depending on how much the homoscedasticity assumption is broken. The scatterplot indicates that the dependent variable's variance is constant across the independent variable's value range. Thus, the assumption of homoscedasticity can be said to be true.

4.2.4 Multicollinearity Testing

Table 4.3 shows that, all independent factors had statistically significant impact on youth's entrepreneurial intention, with 0.000 p-values for all variables at the 0.01 level of significance. The findings showed that there is moderate strength of link between Subjective Norms, Entrepreneurial Education, and Risk-Taking Propensity and Entrepreneurial Intention, with R-values of 0.617, 0.660, and 0.583 respectively and there is a high strength of link between Attitude Towards Entrepreneurship and entrepreneurial Intention with R-value 0.754. Therefore, hypothesis 1, 2, 3 and 4 are accepted as influencing factors that contribute to youth's entrepreneurial intention. Also, we can conclude that there are positive relationships between the dependent variable and all the independent variables. Since none of the study variables in table 4.7 below have a correlation value of greater than 0.9, multicollinearity is disregarded. Hence, the multi-regression analysis can be carried out.

Table 4.3: Summary of Pearson Correlation

	EI	SN	EE	RP	EA
EI	1				
SN	0.617**	1			
EE	0.660**	0.663**	1		
RP	0.583**	0.462**	0.596**	1	
EA	0.754**	0.473**	0.591**	0.606**	1

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

EI = Entrepreneurial Intentions; SN = Subjective Norms; EE = Entrepreneurial Education; RP = Risk Taking Propensity; EA = Entrepreneurial Attitude

Source: Research Data

Table 4.4: VIF and Tolerance Values for Multicollinearity test

Variables	Tolerance values	VIF
Subjective norms	0.548	1.825
Entrepreneurial education	0.423	2.365
Entrepreneurial attitude	0.543	1.841
Risk taking propensity	0.545	1.834

Source: Research Data

It is vital to validate the key assumptions of the linear regression model (collinearity) before delving into the significance of the regression coefficients. These assumptions are related to the dependent variable and independent variables and to the relationship as a whole. A number of collinearity statistics, including the tolerance, and variance inflation factor, are presented in Table 4.6 for the independent variables. The tolerance values range between 0.423 and 0.548; these are well above the threshold value of 0.1, below which the presence of a multicollinearity problem is indicated. To have a multicollinearity free data the VIF must be not up to 10 (Hair et al., 2010). When the VIF is <10 the result is considered acceptable.

4.3 Descriptive Analysis

A descriptive analysis of the study constructs is shown in Table 4.7 to provide a general overview of them and all constructs are viewed favorably by respondents. It shows descriptive statistics of the lists of the parameters including entrepreneurial intention, subjective norms, entrepreneurship education, risk taking propensity, and entrepreneurial attitude. The overall mean score for each element was examined using the summated mean score. The findings revealed that subjective norms had the lowest mean score ($M=3.9526$) and entrepreneurial intention had the highest mean score ($M=4.2646$). Among the independent variables, risk taking propensity, entrepreneurship education, entrepreneurial attitude has mean scores of 4.0573, 4.0583 and 4.1625 respectively.

Table 4.5: Descriptive Statistic

Variables	Minimum	Maximum	Mean	Stand. Dev.
Entrepreneurial intention	3.00	5.00	4.2646	0.44733
Subjective norms	3.00	5.00	3.9526	0.46647
Entrepreneurship education	3.00	5.00	4.0583	0.47839
Risk Taking Propensity	2.20	5.00	4.0573	0.45134
Entrepreneurial Attitude	3.00	5.00	4.1625	0.43122
Sample	384			

Source: Research Data

Table 4.6: Model summary indicators

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.822 ^a	0.675	0.672	0.25631	1.842

Predictors: (Constant), RP, SN, EA, EE

Dependent Variable: EI

Source: Research Data

Table 4.6 provides a Durbin-Watson indicator that can be used to assess the independence of residuals. The Durbin-Watson statistically in the range of 0 - 4. A value of 2 or nearly 2 indicates that there is no first-order autocorrelation. An acceptable range is 1.50 – 2.50. where successive error differences are small, Durbin-Watson is low (less than 1.50); this indicates the presence of positive autocorrelation.

Since this indicator's value (1.842) exceeds its greatest critical value in accordance with the decision rule, we also get to the conclusion that there is no autocorrelation among the residuals because they are independent. Because the assumptions of multicollinearity and independence of residuals were successfully tested, the linear regression model can be used to investigate the links between the dependent and independent variables. Additionally, Table 4.6 displays the summary indicators for R , R^2 , adjusted R^2 , and the regression's standard error. R^2 and adjusted R^2 values of 0.675 and 0.672 show that the independent variables account for nearly 67% of the variance in entrepreneurial intention.

Table 4.7: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	51.740	4	12.935	196.890	0.000 ^b
Residual	24.899	379	0.066		
Total	76.638	383			

Predictors: (Constant), RP, SN, EA, EE
Dependent Variable: EI

Source: Research Data

The outcomes of the ANOVA regression analysis in Table 4.7 further offer confirmation of the regression model's strong predictive power. With 383 degrees of freedom (4 from the regression and 379 from residuals), the F statistic is 196.890, and the entire regression is significant at the 0.01 level ($p\text{-value} = 0.000 < 0.01$). As a result, the null hypothesis is disproved, and each regression coefficient is not equal to zero.

Table 4.8: Coefficients

Model	Unstandardized Coefficient		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
Constant	0.287	0.145		1.981	0.048
SN	0.229	0.038	0.239	6.036	0.000
EE	0.152	0.042	0.163	3.615	0.000
EA	0.520	0.041	0.502	12.651	0.000
RP	0.071	0.039	0.072	1.809	0.071

($p < 0.05$), Dependent variable: Entrepreneurial Intention

Source: Research Data

Table 4.8 showed that subjective norms, entrepreneurial education, and attitude towards entrepreneurship have positive and significant relationships towards entrepreneurial intention ($\beta = 0.239$, $p < 0.01$; $\beta = 0.163$, $p < 0.01$; $\beta = 0.502$, $p < 0.01$). However, the detailed examination of the individual factors revealed that only one factor (risk-taking propensity) did not contribute significantly towards entrepreneurship intention ($\beta = 0.072$, $p = 0.071$) Following the results, it is possible to rewrite the linear regression equation with the dependent variables as Entrepreneurial Intention as follows.

$$EI = 0.163 EE + 0.239 SN + 0.502 EA$$

The equation shows that all standardized coefficients of variables are greater than 0 with $p < 0.05$. This demonstrates that four independent variables have a positive relationship with entrepreneurial intention.

4.4 Hypotheses Testing

Research Hypotheses	Hypotheses Accept/ Reject
H ₁ : there is a significant impact of attitude towards entrepreneurship on entrepreneurial intention of the youth	Accepted
H ₂ : there is a significant impact of propensity to take risk on entrepreneurial intention of the youth	Rejected
H ₃ : there is a significant impact of subjective norms on entrepreneurial intention of the youth	Accepted
H ₄ : there is a significant impact of entrepreneurial education on entrepreneurial intention of the youth	Accepted

5. CONCLUSION AND RECOMMENDATION

Youth entrepreneurship has become a hot topic among policymakers, educators, and students in the majority of developing countries due to the importance of the young in supporting the nation's economy. The purpose of this study is to assess the factors that influence Sri Lankan youth involvement in entrepreneurship, such as attitude toward entrepreneurship, risk-taking proclivity, subjective norms, and entrepreneurship education. After analyzing 384 sample units from the Kurunegala district's youth, it was discovered that attitude toward entrepreneurship, subjective norms, and entrepreneurship education have a significant effect on youth entrepreneurial intention. However, this study found that risk-taking proclivity has no effect on entrepreneurial intention. According to the survey, the most important factor influencing Sri Lankan youth to engage in entrepreneurship is their attitude toward entrepreneurship. Furthermore, this study demonstrated how subjective norms influence someone's desire to start their own business. The study discovered that respondents' entrepreneurial goals were influenced by the support of their family, friends, and culture, according to subjective norms.

Most importantly, this study empirically validates the TPB's applicability in Sri Lanka to explain the entrepreneurial inclinations of Sri Lankan youth. Furthermore, given the importance of entrepreneurial education as demonstrated by this study, it is critical that the nation take the necessary steps to advance entrepreneurial education. Because the study's findings showed that attitude and entrepreneurial education have a significant positive impact on entrepreneurial intention, it is suggested that the entrepreneurship curriculum for students and undergraduates place more emphasis on developing youth's entrepreneurial attitudes. Instead, the curriculum should focus on ways to help the next generation of entrepreneurs become more adept at starting their own businesses and raising their subjective standards through the development of

club and group business ideas. According to the research implication, it is recommended that,

- I. Creating a distinct curriculum for entrepreneurship education in schools and universities.
- II. Deliver classes and seminars in schools and universities.
- III. Including more practical activities, such as field trips, to identify the current market environment and market opportunities.
- IV. Giving priority to new product and service innovations in entrepreneurship courses over theoretical concepts.
- V. Encouraging young people who are already self-employed to expand their businesses.
- VI. Monitor youth business start-ups to some extent until they become market-stable.

A mentor-mentee program could be established in addition to the above recommendation, in which mentors would assist their young mentees in setting career goals and implementing the necessary steps to achieve those goals, while also leveraging their personal networks to get involved in assisting their mentees in locating entrepreneurial opportunities. Look for a mentor with knowledge of risk management who can assist people and provide insightful advice if at all possible. Current events that may have an impact on risk, such as political upheaval, economic trends, and technological changes, should be monitored. It is critical to understand how these factors influence risk. A program like this could help identify and support potential young entrepreneurs. According to a study by (Otuya, R, P and J, 2013), entrepreneurship awareness should be promoted in the early years of education so that by the time students reach secondary school, they have developed the necessary entrepreneurial traits. Because the findings of this study only represent a small portion of the Sri Lankan youth population, it is recommended that additional research be conducted in an effort to include all Sri Lankan districts in order to investigate additional factors that may influence young people's involvement in entrepreneurship.

Comprehending the extent and present state of entrepreneurial aspirations among Sri Lankan youth could offer policymakers and educational establishments a chance to devise inventive approaches to enhance these economies. A deeper comprehension of the relationship between entrepreneurial education and entrepreneurial intention is offered by the study. In the academic context of the study, it was found that students' intentions to start their own business were influenced by their education. It is imperative to find ways to launch and expand the educational system and encourage students' and graduates' entrepreneurial spirit in order to lower the nation's currently high unemployment rates. Campaigns for public entrepreneurship should be given high priority by governments and legislators. Even during open political campaigns, they need to spread awareness about the importance of entrepreneurship among diverse communities, including students. Politicians need to realize that promoting entrepreneurship never amounts to a waste of money; rather, it ensures the economic

advancement of a nation. Entrepreneurship education should be supported in the country by three pillars: industry, academia, and public policy, which includes the government and government agencies, and funds should be obtained to support these linkages. Such campaigns should include the allocation of resources to students for start-up businesses through various government agencies. The research was able to provide a picture of youth entrepreneurial intentions due to its location within a quantitative research paradigm. A qualitative or longitudinal study could be used in future research to better understand youth entrepreneurial intentions. Researchers could also look into other factors that influence entrepreneurial intent.

6. LIMITATIONS OF THE STUDY

There are some limitations, so proceed with caution when evaluating the results. For starters, there are sample size constraints. The sample size for the study was 384 people. Furthermore, the sample was only taken from the Kurunegala district of Sri Lanka. As a result, this survey represents only a small portion of the population and may not accurately represent all young people in Sri Lanka. Although respondents were drawn from the Kurunegala district to represent the Sri Lankan youth population, entrepreneurial intentions in other districts may differ from those in Sri Lanka due to cultural differences and other environmental factors. As a result, the study's findings cannot be generalized to represent the purpose in other contexts. This study did not include all of the variables that could influence an individual's decision to start a business. The results show that the R-square is 0.672, indicating that 67 percent of the variables influence entrepreneurial intention. As a result, the characteristics that were not studied in this study may have an impact on the conclusion (influencing the intention to start a business) depending on the culture where the sample is based.

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