

# ICBM 2012

International Conference on  
Business Management



**Annual Research Sessions**

Faculty of Management Studies & Commerce  
University of Sri Jayewardenepura

**RELATIONSHIP BETWEEN ENTREPRENEURIAL MOTIVATION AND  
ENTREPRENEURIAL INTENTION: A CASE STUDY OF MANAGEMENT  
UNDERGRADUATES OF THE UNIVERSITY OF JAFFNA, SRI LANKA**

Achchuthan, S.<sup>a</sup> and Nimalathanan, B.<sup>b</sup>

<sup>a</sup>University of Jaffna, e-mail: achchu2009@gmail.com

<sup>b</sup>University of Jaffna, e-mail: bnimalathanan@yahoo.com

**ABSTRACT**

The main objective of the study is to explore the relationship between Entrepreneurial Motivation (EM) and Entrepreneurial Intention (EI). Secondary literature reviews and primary data collections methods were used to conduct the study. Stratified proportionate sampling method was adopted to select the respondents. Correlation analysis was used to identify the relationship between the EM and EI. The results revealed that dimensions of EM [Desirability of Self Employment (DSE); Feasibility of Self Employment (FSE); Tolerance for Risk (TR) and Perceived Government & Non Government Support (PG&NGS)] have significant positive relationships with EI. And also, there is a significant positive relationship between EM and EI. Based on the findings, we recommend that the government, non government organizations, financial institutions, educators, and policy makers should provide the financial, marketing, social, technological infrastructures to the management undergraduates to enhance the entrepreneurial intention level.

**Keywords:** Entrepreneurial Motivation (EM), Entrepreneurial Intention (EI), Management Undergraduates

**INTRODUCTION**

Most economists today agree that entrepreneurship is a necessary ingredient for stimulating economic growth and employment opportunities in all societies (Ummah, 2009). In the developing world, successful small businesses are the primary engines of job creation, income growth and poverty reduction. Therefore, government should have the responsibility to support the entrepreneurship. It is a crucial strategy for economic development (Olufunso, 2010). In a same way, McStay (2008) stated that entrepreneurship is considered as important strategy to enhance the economic growth, productivity, innovation & employment. Entrepreneurship is also believed to offer ways to help to meet new

economic, social and environmental challenges.

In a developing country like Sri Lanka, the role of entrepreneurship development is more important than that in developed countries so far as the creation of self employment opportunities and reduction of unemployment situations are concerned (Nishantha,2008). The rate of unemployment among high schools and university graduates remains proportionally higher than the rate for less-educated workers in Sri Lanka. Further, providing employment opportunities for all graduates is a crucial issue for the Sri Lankan government of today (Ummah, 2009). One of the ways to solve the graduate unemployment is the graduate entrepreneurship. Graduate