



Determinants of business startup intention among vocational trainees in Bauchi state, Nigeria

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Abstract

The study investigates the determinants of business startup intention among vocational trainees in Bauchi State. Specifically, the study intends to examine the influence of marketing innovation, opportunity-driven motivation, ambiguity tolerance, resilience mediation of technology awareness on the business startup intention among vocational trainees in Bauchi State. The study is guided by the theory of planned Behaviour and supported by Technology Acceptance Model Theory TAM underpin the variables of this study. The study is quantitative research approach where cross sectional survey is adopted. The propose population of the study consists of 850 trainees under vocational training from three senatorial zones in Bauchi State and the sample size is 265 trainees. Krejcie & Morgan (1970) sample determination table. The sampling technique is multistage sampling techniques. The first stage involved the clustering techniques to select the vocational training centers in the three senatorial zones in Bauchi State. The second stage is proportionate sampling techniques in order to ensure representative sample of trainees from the three selected training centers, namely, National Directorate of empowerment NDE Bauchi Zone, NDE Center Katagum Zone and Youths and Women Development Center Ningi in the central Zone. In conclusion, it is expected that, the upcoming empirical studies using this framework will go a long way in alerting the Government, law makers, stakeholders and youths to know the determinants that might help to reduce the unemployment and also to create business ventures after undergoing training.

Keywords: Marketing innovation, Technology awareness, Opportunity-driven motivation, Ambiguity tolerance, Resilience, Business startup Intention

1. Introduction

Entrepreneurship has received significant attention from researchers over the past decades. (Wadhvani et al., 2020) Entrepreneurship has become a common theme in both developed and less developed countries as it fosters efforts to improve the economic wellbeing of its citizens. (Värlander et al., 2020; Yi, 2020). Entrepreneurship fosters the economic and social growth of a country. (Li et al., 2020a; Neneh, 2020). Previous research has shown that entrepreneurial training, innovations, and entrepreneurial opportunities promote young talents and foster an entrepreneurial intention and mindset among the young people to become entrepreneurs. (Westhead

and Solesvik, 2016; Hu et al., 2018; Pan et al., 2018; Jena, 2020) argued that with an increasing number of youth/ graduates, appropriate job searching has become a serious concern in the higher education and other vocational system in Nigeria.

However, this study intent to find out what are the factors that can help to predicts entrepreneurial intention among vocational trainees to engage into productive activity after receiving training. Therefore, this motivates the researcher to concentrate on marketing innovation, opportunity driven-motivation, ambiguity tolerance, and entrepreneurial resilience and examine their

influence on the business startup intention among vocational trainees in Bauchi State.

1.1 Problem Statement

The problem of youths' unemployment is increasing globally due to an increase in the population, increase in the number of graduates, reliant on government employment, economic meltdown, lack of government policies on youth's development, less emergence of new venture and very low entrepreneurial intention among the youths. Moreover, these could also be as a result of fear of failure, lack of innovative ability, very low ambiguity tolerance, and low entrepreneurial resilience. Moreover, every year the number of youths unemployment keep increasing simultaneously, but the number of jobs stayed as it is and this is severe challenge to all globally (Ogbonna & Rasheed, 2021). However, this study intent to find out how entrepreneurial intention and technology awareness might help to mitigates the menace of youth's unemployment in Nigeria.

1.2 Objectives of the Study

The study intends to achieve the following objectives.

- i. Examine the influence of marketing innovation on business startup intention among vocational trainees in Bauchi State.
- ii. Examine the influence of opportunity-driven motivation on the business startup intention among vocational trainees in Bauchi State.
- iii. Examine the relationship between ambiguity tolerance and business startup intention among vocational trainees in Bauchi State.
- iv. Examine the relationship between entrepreneurial resilience and business startup intention among vocational trainees in Bauchi State.
- v. Examine the mediating effect of technology awareness on the relationship between marketing innovation, opportunity driven-

motivation, ambiguity tolerance and entrepreneurial resilience on the business startup intention among vocational trainees in Bauchi State.

1.4 Research Questions

The following research questions were raised to guide the study.

- i. What is the significant influence of marketing innovation on the business startup among vocational trainees?
- ii. What is the significant influence of opportunity-driven motivation on the business startup intention among vocational trainees?
- iii. What is the significant influence of ambiguity tolerance on the business startup intention among vocational trainees?
- iv. What is the significant influence entrepreneurial resilience on the business startup intention among vocational trainees?
- v. Does technology awareness mediate the relationship between marketing innovation, opportunistic motivation, ambiguity tolerances and entrepreneurial resilience on the business startup intention among vocational trainees in Bauchi State?

2. Literature Review

2.1 Concept of Business Startup Intention

Entrepreneurial startup intention is critical to creating new jobs and bringing competitiveness to the business environment (Li, et al 2020). Arafat, *et al.* (2019) asserted that the intention to jump into a new business usually depends on three perspectives: personal perspective (understanding existing entrepreneurial skills), economic opportunity perspective and networking services. The intention to start a business is a new form of entrepreneurship that introduces new types of products goods/services, process or business models, usually with limited resources: human resource, knowledge,

information, financial, characterized using skills. Despite these limitations, startup intention are open to ideas and knowledge (Oliva & Kotabe, 2018), alertness or easily react to change (Oliva et al., 2019), and readiness to take risks (Weiblen & Chesbrough, 2021).

2.2 Concept of Technology Awareness

Technology awareness can be described as the ability to design and develop new process and new products, independently enhance knowledge and skills about the physical environment, and translate that knowledge into guidance and design to efficiently create new business. (Wang et al., 2012) (Wang et al., 2012). Start-ups are one of the businesses that are oriented towards employing and developing technology so that proficiencies in terms of know-how are very important in supporting start-up performance and development. In a study of Navita & Gunjan (2020) found that technology entrepreneurship significantly relationship between technology entrepreneurship and entrepreneurial intention among young people. In another study of Richa, Apeejay & Anoop (2021) found that, use of ICT in vocational studies significantly influence the startup intention among vocational students. However, the following proposition have been developed **Hi1:** *There is significance relationship between technology awareness and business startup intention among vocational trainees in Bauchi State.*

2.3 Concept of Marketing Innovation

Innovation is defined as the implementation of significantly enriched products, service or process, a new marketing technique, a new business model. It is a process that adds value or comes with solution to existing problems in a new and original way. (Maieer, 2018). Innovation in marketing refers to important modification in the way the entrepreneurs or organizations accept changes in design and major modification in product design and

packaging, new methods in product promotion and distribution, new branding, new methods of selling, and new methods in pricing strategies. (Adreea & Horea, 2018)

In a study of Som Aditya (2020) found that, entrepreneurs with innovative ability are successfully introduced new ideas/ technologies by creating connection. Consequently, in another study of Kris & Kristigan (2018) it was discovered from the study that, attitude and innovation significantly contribute on their entrepreneurial intention. Based on the above empirical evidence, the following proposition have been developed:

Hi2: *There is significance relationship between marketing innovation and business startup intention among vocational trainees in Bauchi State.*

2.4 Concept of Opportunity Driven Motivation

Opportunity entrepreneurship refers to a startup effort to exploit identified business opportunities. This is a situation in which a person becomes an entrepreneur based on his or her skills, characteristics, interests, knowledge, or identified opportunities by quitting a lucrative, well-paying job and starting a new business or becoming self-employed (Adeyeye, 2018). Entrepreneurial motivation is an individual perception of market opportunities and innovative ideas, causing entrepreneurs to search for new or better solutions than those that exist in the actual market environment (Paais & Pattiruhu, 2020). Opportunity-driven entrepreneurs choose to be entrepreneurial possibly because of the passion about a project than the salaried job (Manzoor, et al, 2019). It may be in a pursuit for self-sufficiency, needs for attainment, innovativeness, pro-activeness, and excel, freedom from establishment. In a study of Adeyeye, et al, (2019) found that, there was significant positive relationship between both the necessity driven and opportunity driven entrepreneurship

motivations and business startup intention and growth, the positive relationship is at a minimal level. This study revealed significant positive association between opportunistic driving motivation and enterprise inspiration. Based on the above empirical evidence the following hypothesis have been developed.

Hi3: *There is significance relationship between opportunity driven-motivation and business startup intention among vocational trainees in Bauchi State.*

2.5 Concept of Ambiguity Tolerance

Tolerance for ambiguity is a disposition characteristic that reveals the general feelings and insouciances of an individual toward ambiguity and ambiguous situations. A situation is probable to be perceived as ambiguous when it is ambiguous, altering or unstable, or when it confronts the individual with new and unaware problems that he/she cannot adequately structure or grouping. (Hartmann, 2005, p. 245). Norton (1975, pp. 608-609) defines intolerance for ambiguity as ‘a propensity to perceive or understand information marked by ambiguous, incomplete, fragmented, multiple, probable, unstructured, uncertain, inconsistent, contrary, contradictory, or unclear meanings as actual or potential sources of discomfort or threat. In a study of Kurjono et al., (2021) their findings revealed that, locus of control, and ambiguity tolerance positively influence the entrepreneurial intention. Dinis, et al., (2019) found a positive relationship is hypothesized between tolerance for ambiguity and entrepreneurial inclination. The following proposition is developed:

Hi4: *There is significant relationship between ambiguity tolerance and business startup intention among vocational trainees in Bauchi State.*

2.6 Concept of Entrepreneurial Resilience

Resilience is related to disposition characteristics and refers to a dynamic expansion process. According to, resilience is the capacity to maintain the functionality of a system when disrupted or the ability to retain the elements needed to update or rearrange if an interruption changes the structure of a system’s function. Donnellan et al. (2020) Showed that resilience is related to predicting and preventing unexpected threats. It is also important to have sensitivity, change perceptions, and manage a flexible decision-making process. Economic uncertainty and business break require organizational resilience. Linnenluecke & Griffiths, (2020) defined resilience as the ability to absorb impact and improve. Meanwhile, defined resilience as the ability of a system to cope with instabilities caused by external phenomena, and still remains unchanged. In a study of Faith (2018) found that, entrepreneurial resilience highly significantly influence the startup intention among the youths. In another study of Maija Renko et al., (2020) their findings revealed that, entrepreneurial ability, self-efficacy and resilience have significant relationship with entrepreneurial startup intention. Pedro, Lucila & Pedro (2022) found that entrepreneurial resilience has a positive and significant influence on entrepreneurial intention among youths. Following proposition has been developed.

His: *There is significant relationship between entrepreneurial resilience and business startup intention among vocational trainees in Bauchi State.*

2.7 Theoretical Framework.

2.7.1 Theory of Planned Behavior (TPB)

Considering efforts made by the researchers towards the tail end of the 20th century embraced the use of a Theory of Plan Behavior (TPB) developed by Ajzen (1991) in order to lay the sound foundation for entrepreneurship development (Linan,

2004). This theory has been practical to nearly all intentional behavior and it providing quite good outcomes in every diverse field, including the excellent of professional career (Ajzen, 2001). Given this, scholars have identified the application of TPB as the best means to predict intentions for business startup in many provinces of life, entrepreneurial inclinations inclusive (Krueger & Carsrud, 1993; Linan, 2004). Krueger and Carsrud (1993) identified that the theory of planned behaviour has been used positively to predict intentions in several researches. To support the TPB, Ajzen (1991) developed a model to show the contextual factors when put together. The theory has three important antecedents of intention and behaviour. Personal attitude, subjective norms and perceived behavioural of control PBC.

2.7.2 Technology Acceptance Model (TAM)

TAM is also an extension of TRA done by Davis (1986). It replaced TRA's attitude

toward behavior with two technology acceptance measures which are: perceived usefulness and perceived ease of use. TAM didn't include the TRA's subjective norms in its structure. It was developed after the introduction of information systems into organizations. It is developed in information technology field while TRA and TPB developed in the psychology field, so that it is less general than TRA and TPB (Davis et al., 1989). The development for TAM comes through three phases: adoption, validation, and extension. In the adoption phase, it was tested and adopted through a huge number of information system applications. In the validation phase, researchers noted that TAM uses accurate measurement of users' acceptance behavior in different technologies. The third phase, the extension, where there are many researches introducing some new variables and relationships between the TAM's constructs.

2.8 Propose Research Framework

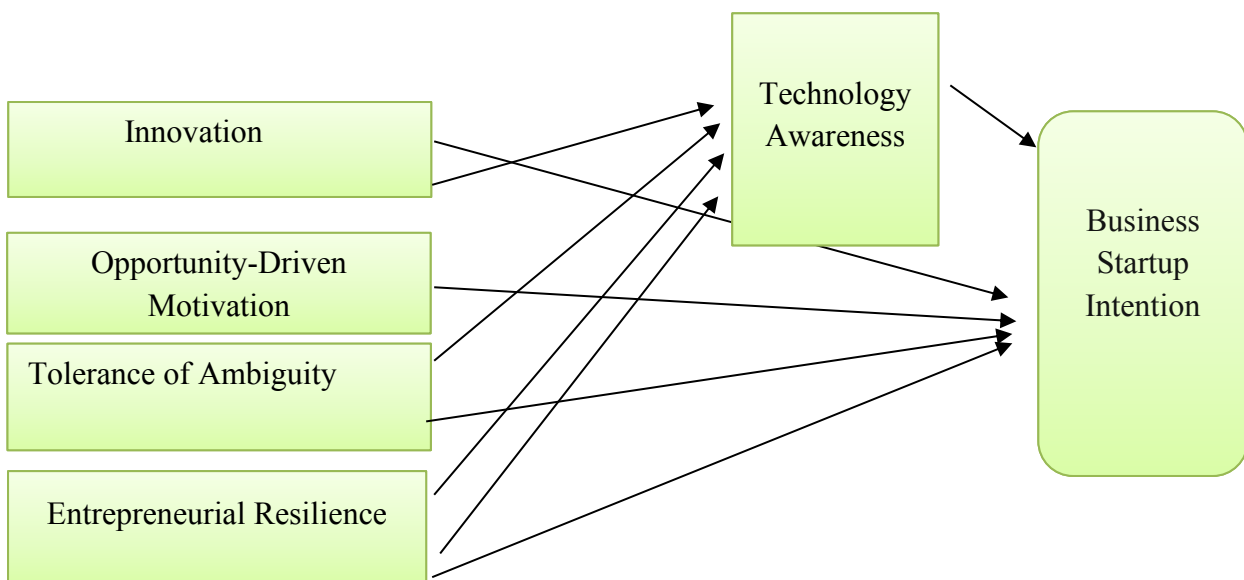


Figure 1: Propose Research Model

Source: Sharma et al. (2020); Jibrin (2021); Adeyeye et al., (2019); Leo et al., (2021); Rajagopal (2020).



3. Methodology

This study is proposed to adopt quantitative research approach through cross sectional design. The propose population of the study will consist of 850 vocational trainees in Bauchi State. The appropriate unit of analysis would be individual. Questionnaire would be the instrument for data collection and descriptive statistics and structural equation modelling would be employed for data analysis.

4. Conclusion

The main objective of this study is to provide conceptual frame work in order to examine the influence of the independent variables, mediating variable and the dependent variable. (Marketing innovation, opportunity-driven motivation, ambiguity tolerance, and resilience) are the independent variables while (technology awareness) is the mediating variable and (business startup intention) is the dependent variable. The study adds value to existing literature toward understanding the factors that might help to cultivate the youth's entrepreneurial intention and will also help to reduce the rate of unemployment among the youths.

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