

**CONTEXTUAL FACTORS, INDIVIDUAL PSYCHOLOGICAL ATTRIBUTES
AND ENTREPRENEURIAL INTENTIONS AMONG THE MANAGEMENT
STUDENTS OF NEPALESE UNIVERSITIES**

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Certification of Authorship

I, hereby, corroborate that I have researched and submitted the final draft of the dissertation entitled “Contextual Factors, Individual psychological attributes and Entrepreneurial intentions among the management students of Nepalese universities”. The work of this dissertation has not been submitted previously for conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes. The assistance and cooperation that I have received during this research work have been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

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Abbreviations

AVE	: Average Variance Extracted
ANOVA	: Analysis of Variance
CFA	: Confirmatory Factor Analysis
EEM	: Entrepreneurial Event Model
HTMT	: Heterotrait-Monotrait
KU	: Kathmandu University
PBC	: Perceived Behavioral Control
PU	: Pokhara University
R ²	: Coefficient of Determination
SD	: Standard Deviation
SEM	: Structural Evaluation Model
SMART-PLS	: Structural Equation Modeling using Partial Least Squares
SPSS	: Statistical Package for Social Science
SRMR	: Standardized Root Mean Square Residual
TPB	: Theory Planned Behavior
TU	: Tribhuvan University
VIF	: Variance Inflation Factor

Abstract

The dissertation entitled "Contextual Factors, Individual psychological Attributes and Entrepreneurial intentions among the Management Students of Nepalese universities" aimed to analyse the influence of contextual factors and individual psychological attributes variables on entrepreneurial intentions among the management students of Nepalese universities. It presents a structural model that has been developed from a set of management student perceptions.

The study utilized a combination of critical literature analysis and statistical research. To conduct the research, a causal quantitative methodology called structural equation modelling (SEM) was applied using the SMART-PLS 4 program. Additionally, factor analysis was used as a descriptive methodology.

Research conducted on a sample of over 300 Nepalese students has shown that all individual psychological attribute factors are statistically significant in assessing the entrepreneurial intentions of management students of Nepalese universities. As the results show, contextual factors positively influence students' psychological attributes. The individual psychological attributes positively influence entrepreneurial intentions among the management students of Nepalese universities.

The results suppose both theoretical and practical implications for encouraging university students to become entrepreneurs, whether in or outside of an academic setting. To promote entrepreneurship among students, universities should prioritize cultivating a positive mind set towards entrepreneurship and emphasize that despite the challenges involved in starting a business, entrepreneurship can be a worthwhile and appealing option. Entrepreneurship programs offered by universities should thus focus on shaping the attitudes of potential entrepreneurs.

In the study, the personal and contextual factors influencing the entrepreneurial intentions of students were taken into account. The causal model generated on a sample of 300 management students of Nepalese universities shows the importance of individual factors on entrepreneurial intentions and the impact of contextual constructs on individual psychological attributes. Contextual factors vis-à-vis education, public policy, and business environment were found to have a positive impact on individual psychological attributes vis-à-vis attitude, perceived behavioural control and subjective norms as well as entrepreneurial intentions.

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Entrepreneurship is a process of creation and of realizing values for entrepreneurs (Morris & Jones, 1999). Entrepreneurship is the process of establishing or setting up any kind of business or business to earn profit from it. It is the ability to establish any kind of business and be able to run it smoothly accepting all the risks associated with it. And the person who establishes and runs such businesses are called Entrepreneurs (Cooke & French, 2008). The field of entrepreneurship is centred on recognizing potential avenues for business, and identifying these opportunities involves a mental process (Krueger Jr, Reilly, & Carsrud, 2000).

Understanding the intention to become an entrepreneur is critical as it has been identified as a significant predictor of starting a new business (Linan & Chen, 2009). Additionally, assessing entrepreneurial intention before actually starting a business venture can be particularly beneficial, especially for postgraduate management programs that aim to anticipate the probability of their students becoming entrepreneurs during or after graduation. According to Gartner (1988), the aspiration to establish a new business is linked to the pursuit of knowledge that can aid in achieving that goal.

In his 2005 commencement speech at Stanford University, Steve Jobs advised, Time is precious, so don't spend it trying to live someone else's life. It's important not to be restricted by other people's beliefs and ideas, as this will limit your thinking. Your inner voice is vital, and you should not let the opinions of others overpower it. It is crucial to have the courage to follow your heart and intuition, as they will guide you towards your true desires. Everything else is not as important as this (Jobs, 2005).

According to Walt Disney, anyone could achieve their dreams if they dared to pursue them. This belief aligns with the philosophy of Jobs, who also emphasized the importance of making independent choices and not conforming to the beliefs of others or societal norms. Both Jobs and Disney believed that relying on one's intuition and following one's heart was crucial for achieving personal fulfilment and success. The field of entrepreneurship has been widely researched in different countries and contexts, and it is widely recognized as an important driver of economic growth and job creation. Entrepreneurial intentions, or the desire and willingness to start a new business, have been identified as crucial antecedents

to actual entrepreneurial behaviour (Gartner, 1988). However, the factors that influence entrepreneurial intentions are complex and multi-dimensional.

Contextual factors are the environmental or situational circumstances that can influence an individual's behaviour, thoughts, and feelings (Kobylinska, José, & Martínez, 2022). These factors can include social, cultural, economic, political, and historical conditions that affect an individual's perceptions and actions. Contextual factors can also shape an individual's opportunities and constraints. Economic factors such as income and employment can impact access to resources and opportunities for social mobility. Political factors such as government policies and regulations can affect an individual's ability to exercise their rights and freedoms (Autio, H. Keeley, Klofsten, GC Parker, & Hay, 2001).

Individual psychological attributes refer to the personal characteristics and traits that are unique to each individual, and that influence their behaviour, thoughts, and emotions (Chatterjee & Das, 2015).

The exploration of contextual factors, individual psychological attributes, and entrepreneurial intentions as driving forces of entrepreneurial behaviour among management students in Nepal is a crucial aspect of the larger research field of entrepreneurship and innovation. This field endeavours to understand the factors that spur individuals and organizations to start and grow new ventures. Several models the (Shapero & Sokol, 1982) model of an entrepreneurial event and the (Ajzen, 2012) model of planned behaviour, have been employed to explain entrepreneurial intentions, which have been proven to be a strong predictor of future behaviour.

Studies have shown that personal and contextual variables have a significant impact on shaping entrepreneurial intentions, with education playing a critical role in creating an entrepreneurial individual (Prajapati, 2019). In Nepal, entrepreneurship is considered a key driver of economic growth and job creation, which has resulted in many management students expressing a desire to start their businesses. This study aims to examine the factors that influence the entrepreneurial intentions of these students, considering that they are typically influenced by a combination of individual characteristics personality traits and intrinsic motivation, and external factors are the social, economic, and political context (Ofstedal, Iakovleva, & Foss, 2017).

As an entrepreneur, an individual plays a pivotal role in organizing, managing, and investing in business and industrial units. Entrepreneurs are responsible for assembling, coordinating, and directing various production variables and play a critical role in initiating

ventures, employing workers, organizing production, developing markets, and impacting the evolution of managerial ideas. Entrepreneurship is characterized by innovation, creativity, and a willingness to take risks (Isenberg, 2011).

The Nepalese constitution recognizes a partnership between the public, private, and cooperative sectors and the government has ambitious plans to develop the country into a developing nation by 2030. Despite these efforts, the results of promoting entrepreneurship have been underwhelming, due to factors such as risk aversion, lack of motivation, societal trends, and a preference for government jobs. Entrepreneurship plays a vital role in sustained economic development and is a solution to various economic issues such as unemployment, underdevelopment, and poverty.

The primary objective of this study is to analyze the shaping of the entrepreneurial intentions of students in Nepal, considering that general entrepreneurship literature usually identifies specific domains, such as personality traits, intrinsic motivation, and previous experiences, and contextual variables, such as the social, economic, and political context, as the two main dimensions responsible for the formation of entrepreneurial intentions (Krueger Jr, Reilly, & Carsrud, 2000; Cooke & French, 2008). Lastly, this study on contextual factors, individual psychological attributes, and entrepreneurial intentions as determinants of entrepreneurial behaviour among management students in Nepal is a crucial step towards understanding the drivers of entrepreneurship and innovation in this context and informing efforts to support the development of entrepreneurship in the country.

1.1.1 Business Environment in Nepal

The business environment in Nepal is a tapestry of external and internal factors that influence the functioning and performance of businesses in the country. It encompasses the economic, political, social, technological, legal and regulatory, and natural conditions that shape the business landscape and impact the decision-making and operations of companies. In Nepal, the business environment is a delicate balance of challenges and opportunities. On one hand, political instability, limited infrastructure, shortage of skilled labour, corruption, and natural disasters present formidable obstacles to business success (Prajapati, 2019). On the other hand, the country boasts thriving sectors such as tourism, agriculture, and hydropower that offer ample opportunities for growth and development. In recent years, the Nepalese government has been working to establish a market economy system and attract foreign investment. However, progress has been slow due to bureaucratic

inefficiencies, political instability, widespread corruption, and limited investment options. Despite these challenges, the business environment in Nepal has improved, and increased corporate transparency has earned the country recognized as the third-best business environment in the South Asian region, according to the World Bank's 20th annual Doing Business report.

Advances in technology and globalization have brought new changes to the business environment in Nepal, including a rise in private investment and a more diverse workforce. The Nepalese government is also taking steps to improve infrastructure and create a more favourable business environment for both domestic and foreign companies.

The business environment in Nepal remains complex and challenging, shaped by several factors such as political instability, slow economic reforms, limited infrastructure, shortage of skilled labour, corruption, and natural disasters. However, there are also opportunities for growth and success in sectors such as tourism, agriculture, and hydropower, and the Nepalese government is committed to improving the business environment and attracting foreign investment.

1.2 Problem Statement

According to Tkachev and Kolvereid (1999), the actual act of entrepreneurship is influenced by the intention to become an entrepreneur. Intentional behaviour is a significant factor in explaining why many entrepreneurs initiate a business venture before identifying new opportunities (Gelaidan & Abdullateef, 2017). The study of entrepreneurial intention holds significance because the establishment of small and new businesses can aid in resolving unemployment issues and foster economic growth (Davidson, 1995). Therefore, examining entrepreneurial intention can help predict the future self-employment of management students at Nepalese universities.

In the current era of globalization, entrepreneurship has emerged as a crucial driving force behind economic growth and job creation. In developing countries like Nepal, entrepreneurship is a vital aspect to create employment opportunities and promote economic development (Niroula & Bajracharya, 2019). Nevertheless, starting a new business venture involves more than just a great idea, it also requires a supportive environment and personal attributes that promote entrepreneurial intentions. Management students are considered a prime source of potential entrepreneurs, and thus, it becomes essential to comprehend the factors that influence their entrepreneurial aspirations (Gautam & Pandey, 2023).

The study titled "Migration and Entrepreneurship in Nepal" by the Global Bank Group found that Nepalese youth do not perceive entrepreneurship as a feasible choice. The research showed that only 2% of young male incomes in Nepal are invested in a current or new business, with the majority being spent on daily expenses, debt repayment, education, health care, and house repair and building (Global Bank Group,2018).

Entrepreneurship is considered an essential component of economic development, and education is one of the main drivers of entrepreneurial intention among individuals. Despite the growing interest in entrepreneurship in Nepal, limited research has been conducted on the entrepreneurial intentions of management students, particularly regarding the influence of contextual factors and individual psychological attributes. Therefore, the problem addressed by this dissertation is to understand the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions among management students in Nepalese universities.

Against this backdrop, this study raises the following research questions.

- i. What is the status of contextual factors vis-à-vis education, public policy, and the business environment in Nepal?
- ii. What is the status of individual psychological attributes vis-à-vis attitude, perceived behavioural control, and subjective norms among management students of Nepalese universities?
- iii. Do contextual factors significantly predict their psychological attributes among management students of Nepalese universities?
- iv. Do individual psychological attributes significantly predict their entrepreneurial intention among management students of Nepalese universities?

1.3 Objectives of the Study

The general objective of the study is to analyse the influence of contextual factors and individual psychological attributes variables on entrepreneurial intentions among the management students of Nepalese universities. The specific objective of the study are:

- i. To identify the status of Contextual factors vis-à-vis education, public policy and business environment in Nepal.
- ii. To identify the status of Individual psychological attributes vis-à-vis attitudes, perceived behavioural control and subjective norms among management students of Nepalese universities.

- iii. To examine the relationship between Contextual factors and Individual psychological attributes among management students of Nepalese universities.
- iv. To examine the relationship between Individual psychological attributes among management students of Nepalese universities.

By achieving these objectives, the study can provide valuable information on the factors that influence entrepreneurial intentions among management students at Nepalese universities and can inform policies and programs aimed at promoting entrepreneurship in the country.

1.4 Hypotheses

1.4.1 Attitude (A) and Entrepreneurial Intention (I)

The relationship between attitudes and the likelihood of a person engaging in entrepreneurial behaviour is well established in the literature. It has been suggested that individuals are more likely to pursue entrepreneurship if they view it as a positive, professionally rewarding, and beneficial activity, both financially and in terms of social status (Kobylinska, José, & Martínez, 2022). Attitudes play a crucial role in the formation of entrepreneurial intention by influencing other factors such as motivation and self-efficacy. For example, in an educational context, research has shown that students' attitudes towards entrepreneurship have a significant impact on their motivation to start a business and can explain 50% of the variance in motivation (Schwarz, Wdowiak, Almer-Jarz, & Breitenecker, 2009). When students have a favourable attitude towards entrepreneurship, they are more likely to invest time and effort into creating a new business. Based on these findings, the following hypothesis is proposed:

H₁: A positive relationship between students' attitudes and entrepreneurial intention to become entrepreneurs.

1.4.2 Perceived Behavioral Control (PBC) and Entrepreneurial Intention (I)

This construct encompasses both a feeling of capability (having the necessary skills to start and succeed in a business) and a belief in one's ability to control their behaviour (Linan & Fayolle, 2015). Perceived behavioural control is shaped by perceptions of control, which involves evaluating one's abilities in overcoming any obstacles that may arise during the process of starting and running a business. In Polish, individuals may face bureaucratic hurdles or other challenges that hinder their decision to start a business or engage in entrepreneurial activity. These perceived obstacles can affect their overall evaluation of the feasibility of starting a business and influence their perceived behavioural control

(Kobylinska, 2022). The literature suggests that a perception of control is positively associated to become an entrepreneur. Based on these findings, the following hypothesis is proposed:

H₂: A positive relationship between students' perceived behavioural control and entrepreneurial intention to become entrepreneurs.

1.4.3 Subjective Norms (SN) and Entrepreneurial Intention (I)

The study of entrepreneurship reveals that areas with greater social acceptance for entrepreneurial activities tend to have a higher number of thriving startups. Family members and their views on entrepreneurship also play a significant role in shaping an individual's entrepreneurial aspirations. According to scientific literature, starting and running a successful business is not possible without support from family members, who can provide both practical and emotional assistance (Rogoff & Zachary, 2003). However, if family members hold negative attitudes towards entrepreneurship, it can discourage individuals from pursuing this career path and lead them towards traditional employment options (Dyer Jr, 1992). On the other hand, having support from friends and family can increase an individual's self-esteem and motivation to venture into entrepreneurship (Ismail, et al., 2009). Based on this information, the following hypothesis is proposed:

H₃: A positive relationship between subjective norms and students' intention to become an entrepreneur.

1.4.4 Education (E) and Entrepreneurial Attitude (A)

Another factor that plays a role in the entrepreneurial intention model is entrepreneurial education. This refers to any educational programs or processes that develop entrepreneurial attitudes and skills (Fayolle, Gailly, & Lassas-Clerc, 2006). Although entrepreneurship topics were previously incorporated into educational programs, formal training in this subject has only become widespread in recent years. There are various types of entrepreneurial education, depending on the recipient's level of development and prior experiences. The conduct of entrepreneurial education is tied to an individual's perceived entrepreneurial effectiveness, which refers to the belief that they can competently carry out entrepreneurial tasks and assume the role of an entrepreneur. Studies have shown that the entrepreneurial effectiveness gained through entrepreneurial education can have a positive impact on one's attitude and increase their entrepreneurial intention (Bae, Qian, Miao, & Fiet, 2014; Peterman, 2003). Therefore, the following hypothesis was proposed:

H₄: Education (in the area of entrepreneurship) positively influences students' attitudes.

1.4.5 Public Policy (PP) and Perceived Behavioural Control (PBC)

A person's perceived behavioural control refers to their belief in their capability to perform a specific action. It is shaped by self-efficacy, personal characteristics, and access to necessary resources. The stronger one's belief in their ability to run a business, the greater their entrepreneurial intention (Al-Jubari, Hassan, & Linan, 2019). However, a combination of all three factors is required to generate a true entrepreneurial intention. Additionally, economic and legal policies in a given country can also impact entrepreneurial activities. These activities, regardless of size, are subject to regulations by public or private institutions, which can either pose a threat or create an opportunity for entrepreneurs. Stringent regulations and procedures can decrease the entrepreneurial intentions of young individuals, whereas favourable conditions can increase the propensity for such activities (Gelard & Saleh, 2011). Researchers emphasized that government policies that support entrepreneurs, such as lower taxes and reduced bureaucracy, have a positive impact on their business endeavours. This influence will be especially crucial for the entrepreneur's perceived behavioural control as they will feel more confident in achieving their goals when they know that the state offers support through various programs, subsidies, or a stable economy. Therefore, the following hypothesis was proposed:

H₅: Public policy positively influences students' perceived behavioural control.

1.4.6 Business Environment (BE) and Subjective norms (SN)

The persistence in entrepreneurship can also be attributed to the impact of the business surroundings, specifically, the supportive ecosystem for entrepreneurship. This ecosystem, according to Isenberg, is a group of cooperating institutions that assist entrepreneurs in navigating through the various stages of starting a new venture. It functions as a network of resources, with the entrepreneur at the centre, serving as the gauge of success. It's crucial to recognize the local context, such as a favourable business environment, the presence of proper infrastructure, access to financial investors, and more specifically, the support mechanisms for entrepreneurship (Kobylinska, José, & Martínez, 2022). These elements can have a positive effect on the entrepreneur's surroundings, which is further boosted by the support of family and friends. If the business climate is favourable for entrepreneurship, it can positively influence the attitudes of those closest to the entrepreneur, offering them a supportive role in the entrepreneur's endeavours and endorsing the proposed hypothesis:

H₆: The business environment positively influences students' subjective norms.

1.5 Significance of the Study

The study "Contextual factors, individual psychological attributes, and entrepreneurial intentions among management students in Nepal" holds great significance in several different domains. From an academic perspective, the study will provide new and valuable insights into the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions. This will contribute to the existing body of knowledge in the fields of entrepreneurship, psychology, and management education.

From a practical perspective, the findings of this study will have important implications for government agencies, educational institutions, and organizations that are looking to promote entrepreneurship among management students in Nepal. The study can serve as a reference to inform policies and programs aimed at fostering entrepreneurship in the country.

The study also holds great societal significance as it has the potential to help create a more favourable environment for entrepreneurship in Nepal. This can contribute to the creation of new businesses, job opportunities, and economic growth in the country, improving the overall well-being of the population.

For management students, the study will be personally significant, as it will increase their self-awareness and understanding of the factors that influence their entrepreneurial intentions. This will empower them to make informed decisions about their careers and may encourage more students to pursue entrepreneurship as a career option.

In terms of economic significance, the study will provide valuable information to policymakers and government agencies on how to promote entrepreneurship among management students in Nepal. This can help attract investment, create new businesses, and generate employment opportunities, ultimately leading to economic growth and development in the country.

In conclusion, the significance of this study lies in its ability to shed new light on the factors that influence entrepreneurial intentions among management students in Nepal. Its findings have the potential to contribute to the academic, practical, societal, personal, and economic development of the country.

1.6 Limitations of the Study

The underlying rules and foreign information, no research study is separate from limitation. So, it can be said that this research study must have limitations which have presented below.

- i. The study has a relatively small sample size and uses convenience sampling. Thus, the results may not be perfectly generalizable to the entire population.
- ii. The use of a 5-point Likert scale as a data collection instrument may lead to the possibility of central tendency bias in the results.
- iii. The study's research method, which is based on surveys, may have limitations due to the potential for social desirability bias.
- iv. This study relies solely on primary data sources to investigate the relationships between dependent and independent variables. Thus, the accuracy and reliability of the study's conclusions depend on the precision of the information provided by the participants in the study.

CHAPTER II

LITERATURE REVIEW

2.1 Introduction

A literature review on the "Contextual factors, Individual psychological attributes, and Entrepreneurial intentions among the management students of Nepalese universities" would involve examining existing research and academic work on the relationships between these factors and entrepreneurial intentions.

The literature search was conducted using the databases of Google Scholar, EBSCOhost, JSTOR, and ProQuest. The search terms used included "Entrepreneurial intentions," "Management students of Nepalese universities," "Contextual factors," and "Individual psychological attributes".

The process of selecting articles for this literature review was conducted with strict criteria to ensure the relevance and quality of the information included. Firstly, only articles that were published in peer-reviewed journals were considered, as this type of publication is subjected to rigorous evaluation by experts in the field, ensuring the credibility and accuracy of the research. Secondly, the articles had to be relevant to the topic and ensure that the findings and insights obtained from the review are directly applicable to the dissertation topic. Additionally, the publication date of the articles was limited to between 2000 and 2023, providing a contemporary and up-to-date perspective on the topic.

Finally, all articles had to be written in English, ensuring that the information is accessible and understandable to a wider audience. These criteria were applied to ensure that the review provides a comprehensive and high-quality synthesis of the research on entrepreneurial intentions among management students of Nepalese universities. The literature review should also highlight any gaps or limitations in existing research and provide direction for future research in the area.

The following are some of the key areas that could be covered in the literature review:

- i. Contextual factors: The role of the business environment, education and public policy in shaping entrepreneurship intentions among management students of Nepalese universities could be explored.
- ii. Individual psychological attributes: The impact of attitude, perceived behavioural control and subjective norms on entrepreneurship intentions among management students of Nepalese universities could be analyzed.

- iii. Entrepreneurial intentions: The definition and conceptualization of entrepreneurial intentions and how they are related to actual entrepreneurial behaviour could be discussed.
- iv. Previous research in Nepal: The state of entrepreneurship in Nepal and previous studies conducted on the topic, if any, could be reviewed.
- v. Theoretical framework: The theoretical frameworks used to study the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions could be critically evaluated.

Entrepreneurial intentions are an important predictor of actual entrepreneurial behaviour, and understanding the factors that influence these intentions is crucial for promoting entrepreneurship. This literature review aims to examine the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions among management students of Nepalese universities.

The study of entrepreneurial intentions has become a highly relevant area of research in recent times, attracting a great deal of attention from scholars. Many studies have explored the positive correlation between entrepreneurial intention (EI) and actual entrepreneurial activity, and its potential impact on economic growth. According to the existing body of literature, EI is a cognitive state that reflects an individual's preference to start and run their own business rather than work for someone else. Numerous studies have found a strong relationship between intention and the actions taken to start a business, with some research even revealing a correlation as high as 0.96 (Shirokova et al., 2016). Additionally, intention has been found to explain a high percentage of the variance in entrepreneurial behaviour and is the variable that most accurately predicts entrepreneurial behaviour (Shapero & Sokol, 1982; Ajzen, 1991).

The existing literature indicates that various factors can impact entrepreneurial intentions, are subjective norms, attitudes, and perceived behavioural control. Education has also been recognized as a crucial factor in shaping entrepreneurial intentions, and further research is needed to examine the relationship between education and other factors that influence intentions or behaviour. Contextual factors are the business environment, public policy and education can also play a role in shaping entrepreneurial intentions (Kobylinska, José, & Martínez, 2022).

Despite the substantial research and findings on entrepreneurial intentions, more investigation is necessary, particularly among young people. There is a need to deepen the

understanding of the contextual factors that may impact the entrepreneurial attitudes of young people and how these attitudes can be influenced by government policies to foster a more entrepreneur-friendly environment (Fayolle et al., 2006). Additionally, comparative research on entrepreneurial intentions is required at a regional level and within the context of national and regional policies that support entrepreneurship.

The studies about entrepreneurial intentions can be grouped into four main categories: those that deal with theoretical and methodological aspects, those that examine variables such as attitude, subjective norms and perceived behavioural control, education, the business environment and public policy with exploring the connection between intention and actions. There is also a significant amount of research that looks at the influence of the environment and institutions, including studies from various countries.

In conclusion, the literature review provides a comprehensive overview of existing knowledge, studies, and research on the key components of the dissertation topic "Contextual factors, Individual psychological attributes and Entrepreneurial intentions among the management students of Nepalese universities." It highlights the contributions made by previous researchers in this field and highlights the need for further exploration and investigation.

2.2 Conceptual Review

2.2.1 Definition of Entrepreneurial Intentions

Entrepreneurial intentions refer to the conscious and deliberate decision to start a new business or become self-employed. They reflect an individual's motivation, aspirations, and aspirations to start a new venture, take calculated risks, and ultimately, achieve success (Rogoff & Zachary, 2003). Entrepreneurial intentions can encompass a range of factors, including the desire for financial independence, the desire to bring a new product or service to market, the desire to be one's boss, or the desire to create a positive impact in the world (Veciana et al., 2005). The entrepreneurial intentions of individuals, which are their mental attitude and focus on a business idea, shape the creation and direction of a company from its inception. The success and evolution of the organization, including its survival, planning, expansion, and evolution, are influenced by these initial intentions. Studying entrepreneurial intentions is a way to move beyond simply describing the entrepreneurial activity and differentiate it from strategic management (Bird, 1998).

The objectives of entrepreneurial intentions can be focused on either establishing a new business or introducing new values to existing businesses. (Katz & Gartner, 1998) noted

that these intentions have a spatial aspect to them, consisting of both the entrepreneur's own goals and objectives (internal locus) and the intentions of other stakeholders, markets, etc. (external locus). In academic research, entrepreneurial intentions have been studied as a predictor of actual entrepreneurial behaviour and are considered a critical component in the process of starting a new venture. Entrepreneurial intentions are shaped by a combination of personal, social, and contextual factors, including personality traits, past experiences, education and training, access to resources and support networks, and the presence or absence of supportive regulations and institutions.

In summary, entrepreneurial intentions are the driving force behind starting a new business, and they are essential to the success of any entrepreneurial venture.

2.2.2 Contextual Factors and Entrepreneurial Intentions

Contextual factors can have a profound impact on the entrepreneurial intentions of management students in Nepal. These factors can shape the educational, public policy, and business environments that influence students' decisions to start their businesses or pursue careers in established companies (Kobylinska, José, & Martínez, 2022). Contextual factors in education, such as the quality of business and entrepreneurship programs, access to resources and networks, and the availability of mentorship and internship opportunities, can have an impact on students' entrepreneurial intentions, as they may be more likely to pursue entrepreneurial careers if provided with high-quality programs and opportunities to connect with successful entrepreneurs. Similarly, in public policy, factors such as government support for entrepreneurship, access to financing, and ease of starting and running a business can influence entrepreneurial intentions, as an environment that encourages entrepreneurship and provides resources and support can lead to more favourable conditions for students to pursue entrepreneurial careers. Furthermore, in the business environment, market demand, competition, and consumer behaviour can also affect entrepreneurial intentions, as high demand can create opportunities for entrepreneurship, while intense competition or changing consumer behaviours may discourage students from pursuing entrepreneurial careers.

2.2.3 Individual Psychological Attributes and Entrepreneurial Intentions

Individual psychological attributes refer to the internal traits, characteristics, and dispositions of an individual that shape their behaviour and decision-making processes. These attributes attitudes perceived behavioural control, and subjective norms, play a

crucial role in shaping entrepreneurial intentions among management students of Nepalese universities. These attributes are internal factors that are within the control of the individual and can significantly impact their decision to start a business or pursue a career in an established company (Ajzen I. , 2012). Attitude, which encompasses an individual's overall evaluation of the potential benefits and drawbacks of starting a business, plays a crucial role in shaping entrepreneurial intentions, as those who hold positive beliefs about entrepreneurship are more likely to take steps towards pursuing this path. Additionally, perceived behavioural control, which refers to an individual's confidence in their ability to start and successfully run a business, is another key factor that influences entrepreneurial intentions, as individuals who feel equipped with the necessary skills, resources, and support are more likely to develop intentions towards entrepreneurship. Subjective norms, which reflect an individual's perception of what is socially expected of them by important reference groups, such as family, friends, and peers, also have an impact on entrepreneurial intentions, as those who perceive that entrepreneurship is viewed positively by their reference groups are more likely to consider pursuing this path, while those who feel that entrepreneurship is not socially acceptable or is frowned upon may be less inclined to develop entrepreneurial intentions.

2.2.4 The Role of Contextual Factors in Entrepreneurial Intentions

Entrepreneurial intentions are not formed in a vacuum, and a range of contextual factors can significantly impact the formation, development, and execution of such intentions. Economic factors, such as the state of the economy, market demand, and availability of resources and financing, can influence an individual's decision to start a business (Bae et al., 2014)

Higher levels of education can significantly impact entrepreneurial intentions by equipping individuals with the necessary skills, knowledge, and resources to start and manage their businesses, as well as developing a more entrepreneurial mindset through exposure to new ideas and ways of thinking. Additionally, a favourable business environment can provide entrepreneurs with access to capital, networks, and other resources crucial to starting and growing their businesses, while an unfavourable environment characterized by excessive regulations, high taxes, and limited access to capital can discourage entrepreneurial activity. Furthermore, public policy plays a crucial role in shaping entrepreneurial intentions, as policies that support entrepreneurship such as tax incentives, funding programs, and business development services can encourage more individuals to start their

businesses, whereas policies that are unfriendly to entrepreneurs can inhibit entrepreneurial activity and reduce innovation and economic growth overall.

2.2.5 Relationship Between Individual Psychological Attributes and Entrepreneurial Intentions

Studies have shown that there is a close relationship between an individual's psychological attributes and entrepreneurial intentions, with these attributes encompassing personality traits, motivations, and behaviours that significantly influence decision-making and actions. For instance, individuals with high levels of risk-taking propensity tend to pursue entrepreneurial opportunities, while those with high self-confidence and a strong sense of internal locus of control are more likely to have faith in their ability to succeed as entrepreneurs (Autio et al., 2001)

Moreover, motivations such as the desire for independence, achievement, and personal fulfilment, also play a crucial role in shaping entrepreneurial intentions (Gelaidan & Abdullateef, 2017). Additionally, individual attitudes, values, and beliefs can influence entrepreneurial intentions, with individuals who have a positive attitude towards entrepreneurship, value innovation and creativity and believe in their ability to start and grow a successful business being more likely to have strong entrepreneurial intentions (Bird, 1998). Individual psychological attributes, including attitudes, perceived control behaviour and subjective norms are critical determinants of entrepreneurial intentions and influence an individual's likelihood of pursuing entrepreneurial opportunities.

2.3 Theoretical Review

The study of entrepreneurial intentions has been a subject of significant interest in recent years. Numerous models have been developed to understand the development of entrepreneurial intentions, two of which have been widely used: Shapero and Sokola's (1982) business event model (EEM) and Ajzen's planned behaviour (TPB) theory (1991). These models have been empirically tested and have been shown to provide satisfactory predictions of entrepreneurial intentions. However, the use of the planned behaviour theory is more prevalent in the literature.

2.3.1 The Business Event Model (EEM)

Shapero and Sokola's (1982) Entrepreneurial Event Model (EEM) is a theoretical framework that describes the process of entrepreneurial behaviour, starting from the identification of an opportunity to the establishment of a new venture. The business event model (EEM) focuses on external factors that trigger the development of entrepreneurial

intentions. The model argues that a business opportunity is the main antecedent of entrepreneurial intentions and that individuals are likely to become entrepreneurs when they encounter a business opportunity and are motivated to take advantage of it. According to the model, an entrepreneurial event is triggered by an individual's perception of an opportunity, which can come from a variety of sources such as personal experiences, market trends, or the environment. The individual then goes through a series of steps to assess the feasibility of the opportunity, including acquiring resources, developing a business plan, and seeking funding. If the individual decides that the opportunity is viable, they move forward with starting the venture. The EEM provides a framework for understanding the steps involved in the entrepreneurial process and helps researchers to study and understand the factors that influence entrepreneurial behaviour.

2.3.2 The Planned Behaviour (TPB) Theory

Ajzen's planned behaviour theory (TPB) is a social psychological theory that seeks to explain human behaviour and the decision-making process. It was first proposed by Icek

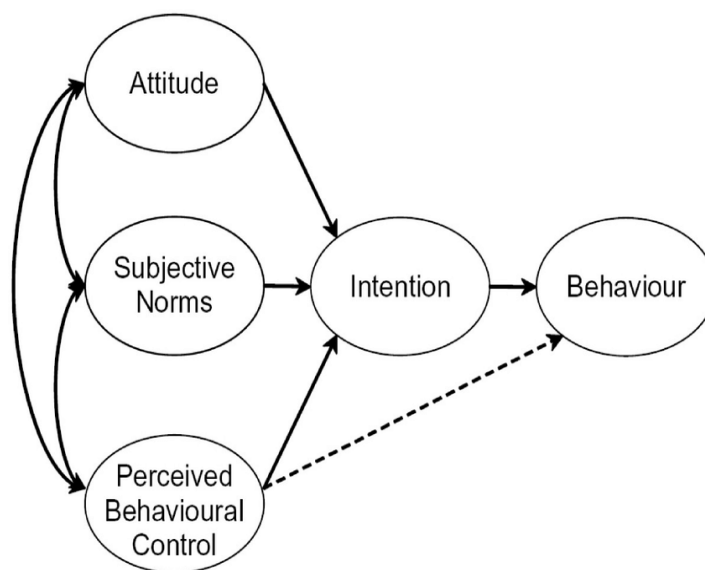


Figure 1 The Planned Behavior Theory (Source: Ajzen, 1991)

Ajzen in 1991. The planned behaviour theory (TPB) focuses on individual attitudes, beliefs, and behavioural control as determinants of intentions. The theory asserts that a person's intention to engage in a particular behaviour is determined by their attitude toward the behaviour, their subjective norms (perceived social pressure to perform the behaviour), and their perceived behavioural control (the extent to which they believe they can perform the behaviour) (Ajzen & Driver, 1991).

The theory proposes that an individual's behaviour is determined by their attitude towards the behaviour, the subjective norms surrounding the behaviour, and the perceived control or perceived behavioural control they have over performing the behaviour (Ajzen I. , 2011). According to TPB, an individual's attitude towards a behaviour refers to their positive or negative evaluation of the behaviour. Subjective norms refer to the perceived social pressure to perform or not perform a behaviour, and perceived behavioural control refers to an individual's belief in their ability to perform a behaviour. TPB posits that the stronger an individual's attitude, subjective norms, and perceived behavioural control are towards a behaviour, the more likely they are to engage in that behaviour.

TPB has been widely used in a variety of research contexts, including entrepreneurship research, to explain and predict entrepreneurial intentions and behaviours. The theory provides a comprehensive framework for understanding the psychological and social factors that influence the formation of entrepreneurial intentions and subsequent entrepreneurial actions (Ajzen et al., 2018).

Theoretically, the two models complement each other and provide a comprehensive understanding of the development of entrepreneurial intentions. While the EEM focuses on external factors that trigger the development of entrepreneurial intentions, the TPB focuses on internal factors that influence the formation of entrepreneurial intentions.

2.4 Empirical Review

Entrepreneurship has become an important means of economic growth and job creation in many countries, including Nepal. In recent years, there has been increasing interest in understanding the factors that influence entrepreneurial intentions among management students of Nepalese universities, as these individuals are considered to be key sources of new entrepreneurial ventures. This empirical review aims to examine the evidence of the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions among management students of Nepalese universities.

The empirical review was conducted using a comprehensive search of academic databases and reference lists of relevant articles. Inclusion criteria were studies that had been published in English and focused on the relationship between contextual factors, individual psychological attributes, and entrepreneurial intentions.

2.4.1 Contextual Factors and Entrepreneurial Intentions

In the field of management, contextual factors are the external factors that affect an organization's structure, strategy, and operations, such as public policy, business environment, education and regulatory requirements (Burns & Stalker, 1961).

Souitaris, et al. (2007) addressed that entrepreneurship education has a positive impact on individuals' attitudes towards behaviour, subjective norms, perceived behavioural control, and entrepreneurial intentions. The European Commission's study also supports this finding, as they found that entrepreneurship education is essential in developing entrepreneurial skills, attitudes, and intentions, as well as improving individual employability. Overall, these studies emphasize the importance of entrepreneurship education in promoting entrepreneurial intentions and skills.

Akpor-Robaro (2012) stated that societies with a high number of educated people are expected to produce more entrepreneurs compared to those societies with a smaller number of educated people. This is simply because individuals who are educated are believed to be in a better position to detect entrepreneurial opportunities and quickly pick interest to exploit them. (Davidsson & Honig, 2003). The opportunity cost for venture creation is more rampant and feasible in educated persons when compared to those with little or no education (Brixy & Hessels, 2013). Education has a great deal of influence on the probability of individuals becoming entrepreneurs. The higher the level of education of a particular group of people, the higher the entrepreneurial tendencies amongst them and vice-versa. An increase in the education of people and favourable economic realities have aided in breeding more entrepreneurs (Rollinson, et al., 2013).

Urban (2013) Conducted a study to examine the effect of regulatory, normative and cognitive institutional dimensions on entrepreneurial intentions in an emerging market context. The study used a sample of 199 respondents and applied correlation and regression analyses to test hypotheses based on the literature on institutions. The findings showed a positive correlation between perceptions of institutional dimensions and entrepreneurial intentions, but not significant. The results suggest that public policymakers and market entrants should be aware of the unfavourable conditions for entrepreneurship and the institutional pressures and constraints faced by potential entrepreneurs in the studied context.

Abdullahi, et al. (2016) addressed the impact of the Socio-cultural Business Environment on Entrepreneurial Intention. The study was conducted through a related literature review

and an empirical study was recommended to further support the findings. The results showed that the Socio-cultural Business Environment, Education, Religion, and Family background all have a positive impact on Entrepreneurial Intention. The findings could provide valuable insights for Public Policymakers and firms on how to harness the Socio-cultural Business Environment to increase entrepreneurship activities and reduce unemployment and poverty, especially among the youth.

Niroula & Bajracharya (2019) on the study of entrepreneurial intention among students in Nepal. The main objective of the study is to examine the relationship between different factors like self-efficacy, role models, religion, experience, monetary aspect etcetera with the entrepreneurial intention among students in Nepal. The methodology used by the researcher was a Quantitative approach the quantitative questionnaires were handed to the respondent and their responses were collected and analyzed. Data analysis is carried out by using Structural Equation Modeling. SPSS and AMOS are used as the means of software for the Analysis of data. The study concluded that independence is an important factor for any entrepreneurship intention to flourish in the countries like Nepal.

Su, et al. (2021) aimed to examine the influence of university support factors on entrepreneurial intention among university students in China. The study employed a questionnaire survey and analyzed the data using SPSS and partial least squares structural equation modelling (ISEM-PLS). The results showed that perceived university support had a significant impact on students' attitudes towards entrepreneurship and behavioural control, with a greater effect on attitude. The results also indicated that subjective norms did not directly affect entrepreneurial intention and emphasized the importance of a scientifically designed entrepreneurship course system in promoting entrepreneurial spirit among university students. The study highlights the role of universities in fostering entrepreneurship through entrepreneurship courses and contributing to economic and social development.

Kobylinska (2022) conducted a study to examine the impact of both personal and contextual factors on the entrepreneurial intentions of Polish students. The researcher employed a mixed-method approach, combining critical literature analysis and statistical research, and applied structural equation modelling and factor analysis to a sample of over 330 students. The results showed that external contextual factors play a significant role in shaping entrepreneurial intentions, but are less clear compared to personal factors and tend to indirectly influence them by strengthening the individual's factors.

2.4.2 Individual Psychological Attributes and Entrepreneurial Intentions.

Individual psychological attributes refer to internal factors that are related to a person's personality, motivation, and aspirations, and that can impact their entrepreneurial intentions. The variables included in the research are Attitude, Perceived Behavioral control and Subjective Norms. (Agarwala, 2008) found that individualism/collectivism influenced the career choice of management students in India, and (Uppal & Mishra, 2014) found that prior job experience is positively related to current academic performance among management students in India.

Ismail, et al. (2009) study examines the relationship between personality and contextual factors and entrepreneurial intention. Data were collected from 123 undergraduate students in Malaysia, and the results indicate that extraversion, openness, and close support are positively correlated with entrepreneurial intention. Conscientiousness, agreeableness, and neuroticism were not found to be significantly related to entrepreneurial intention. The study adhered to ethical guidelines and provides insights into the factors that influence entrepreneurial intention in undergraduate students.

Kushwaha and Maru (2015) in the study of the attitude of management students towards entrepreneurs and entrepreneurship examined entrepreneurial intentions and attitudes. The main objective of the study was to evaluate the attitude of management students towards their careers in Entrepreneur & Entrepreneurship, and the contribution of the university entrepreneurship development program. The methodology used by the researchers was the descriptive approach for both qualitative and quantitative data. The study concluded that management students have a positive attitude towards Entrepreneur and Entrepreneurship as a future career, majority of the students indicate that the university entrepreneurship development program contribution is at the average level, and suggested conducting the workshop, training programs on entrepreneurship and seminars will help to develop and promote entrepreneurship skills. However, there is not much significant relation between the gender of management students and their attitude towards entrepreneurs.

Joseph conducted a study in 2017 to investigate the factors that drive entrepreneurial intentions among international students in Malaysia. The researchers used multiple regression analysis to examine the relationship between various independent and dependent variables. The results showed that factors the need for achievement, subjective norms, economic situations, and entrepreneurial education significantly impact the entrepreneurial intentions of the international students surveyed. The report suggests that Malaysian

universities and colleges should encourage foreign students to get involved in entrepreneurial activities by providing entrepreneurial education and opportunities to gain practical experience. The report recommends organizing more entrepreneurial activities, workshops, and programs such as managing small businesses on campus or participating in flea markets, which would help students develop an entrepreneurial mindset and reduce their reliance on formal sectors.

Niroula and Bajracharya (2019) on the study of entrepreneurial intention among students in Nepal. The main objective of the study is to examine the relationship between different factors like self-efficacy, role models, religion, experience, monetary aspect etcetera with the entrepreneurial intention among students in Nepal. The methodology used by the researcher was a Quantitative approach the quantitative questionnaires were handed to the respondent and their responses were collected and analyzed. Data analysis is carried out by using Structural Equation Modeling. SPSS and AMOS are used as the means of software for the Analysis of data. The study concluded that independence is an important factor for any entrepreneurship intention to flourish in the countries like Nepal.

Mahmoud & Garba (2019) conducted a study to understand the factors that influence the entrepreneurial intentions of university students in Nigeria. The researchers used a quantitative survey method and distributed questionnaires to collect data. The findings showed that only attitude had a significant positive impact on the entrepreneurial intentions of the students. On the other hand, subjective norms and perceived behavioural control were not found to have a significant relationship with entrepreneurial intention. This study provides insight into the attitudes and beliefs of university students in Nigeria towards entrepreneurship and may inform efforts to encourage and support entrepreneurial activity among this population.

Ghimire and Neupane (2020) aimed to examine the relationship between risk tolerance and self-efficacy in entrepreneurial intention among management students in the Kathmandu valley. The convenient sampling method was used to select 140 respondents out of 180 questionnaires distributed, and self-structured questionnaires were used for data collection. Descriptive and correlation research designs were used for data analysis. The study found that while risk tolerance capacity did not have an impact on the students' entrepreneurial intentions, self-efficacy was important in determining their intentions, supporting previous research. The study concludes that self-efficacy is positively related to entrepreneurial intention among graduates and post-graduate students in the Kathmandu valley.

Nguyen's (2021) study aimed to assess the factors influencing entrepreneurial intention among Vietnamese women, identifying key variables and their interaction with each other. The convenience sampling method was used for data collection, with 210 participants (73.9% response rate) out of a targeted sample of 284 Vietnamese women. Data analysis was performed in SPSS 20 using exploratory factor analysis (EFA), which revealed that three factors (subjective norm (QC), attitude (TD), and government support for women (GT)) had a significant positive impact on women's entrepreneurial intentions, with subjective norm (QC) having the strongest impact. These findings provide valuable insights into promoting entrepreneurship among women in Vietnam through informed policies and programs.

Kobylinska (2022) aimed to examine the impact of personal and contextual factors on the entrepreneurial intentions of Polish students. The study utilized a mix of critical literature review and statistical research and employed a causal quantitative methodology (structural equation modelling) and factor analysis to analyze a sample of over 330 Polish students. The results indicated that not all personal factors significantly impacted the entrepreneurial intentions of young people, with subjective norms having no significant effect on the intention to engage in self-employment.

Gautam and Pandey's (2023) study examines the factors that influence the entrepreneurial intentions of Master's Degree Business Management students, and how selected demographic factors moderate these relationships. The study uses an analytical research design with a validated questionnaire to survey 248 students and employs descriptive and inferential statistics to analyze the data and test hypotheses. The findings indicate that educational support, subjective norms, need for achievement, and risk tolerance has a significant positive impact on the entrepreneurial intentions of students, while the business family background and family and friend support also have a positive influence. The study refutes the notion that gender significantly influences entrepreneurial intentions. The study has important practical implications for universities and policymakers, as the findings suggest that entrepreneurship-focused courses and evaluation models can foster entrepreneurial intentions among business students. Furthermore, the study's coverage of the entire population of a specific course enhances its originality and validity. Overall, Gautam and Pandey's study provides valuable insights into the factors that influence the entrepreneurial intentions of business students and underscores the importance of providing support and resources for aspiring entrepreneurs.

Table 1 Literature Review Matrix

Authors	Objective	Methodology	Findings
(Davidsson & Honig, 2003)	To investigate the relationship between education and entrepreneurial opportunities	Literature review	Individuals who are educated are better able to identify and exploit entrepreneurial opportunities compared to those with little or no education.
(Souitaris et al., 2007)	To examine the impact of entrepreneurship education on entrepreneurial attitudes and intentions	In the survey, 276 business students from two European universities	Entrepreneurship education positively influences individuals' attitudes towards behaviour, subjective norms, and perceived behavioural control and entrepreneurial intentions
European Commission (2012)	To analyze the significance of entrepreneurship programs in higher education institutions	An online questionnaire, 851 entrepreneurship alumni, 1,482 control group alumni, and 288 JADE alumni of 43 higher education institutions	Entrepreneurship education is vital to the development of entrepreneurial skills and attitudes as well as improved intention towards entrepreneurship and individual employability
(Akpor- Robaro, 2012)	To examine the relationship between education and entrepreneurship	Literature review	Societies with a high number of educated people are expected to produce more entrepreneurs compared to those with a smaller number of educated people. Individuals who are educated are in a better position to detect entrepreneurial opportunities and exploit them.
(Brixy & Hessels, 2013)	To explore the influence of education on entrepreneurial tendencies	Quantitative analysis of survey data	The opportunity cost for venture creation is more feasible for educated individuals compared to those with little or no education. Education has a significant influence on the probability of individuals becoming entrepreneurs.
(Rollinson, et al., 2013)	To examine the impact of education and economic realities on entrepreneurship	Literature review	An increase in education levels and favourable economic conditions have contributed to a rise in the number of entrepreneurs. The higher the level of education, the higher the tendency to become an entrepreneur.
(Urban, 2013)	To examine the effect of institutional	Sample of 199, regression	Positive correlation between institutional dimensions and intent

(Kushwaha & Maru, 2015))	<p>dimensions on entrepreneurship</p> <p>To evaluate the attitude of management students towards their career as Entrepreneur & Entrepreneurship, and the contribution of the university entrepreneurship development program</p>	<p>Descriptive approach for both qualitative and quantitative data</p>	<p>Management students have a positive attitude towards entrepreneurship, and workshops, training programs, and seminars can help develop and promote entrepreneurship skills. The university entrepreneurship development program has an average level of contribution, and gender does not have a significant relation to attitude towards entrepreneurship.</p>
(Abdullahi et al., 2016)	<p>To examine the impact of the Socio-cultural Business Environment on Entrepreneurial Intention.</p>	<p>Literature review and recommendation for an empirical study.</p>	<p>Socio-cultural factors, including education, religion, and family background, have a positive impact on entrepreneurial intention. These findings can guide public policymakers and firms in utilizing the sociocultural business environment to promote entrepreneurship and reduce youth unemployment and poverty.</p>
(Joseph,2017)	<p>To investigate the factors that drive entrepreneurial intentions among international students in Malaysia.</p>	<p>Multiple regression analysis to examine the relationship between various independent and dependent variables.</p>	<p>International students in Malaysia can boost their entrepreneurial intentions through entrepreneurial education, practical experience, and involvement in entrepreneurial activities. Malaysian universities should provide more opportunities for these activities to help develop an entrepreneurial mindset and reduce dependence on formal sectors.</p>
(Prajapati, 2019)	<p>To explore the relationship between entrepreneurship education and entrepreneurial intention</p>	<p>Stratified random sampling technique, 181 business management students from selected colleges in Nepal</p>	<p>Entrepreneurship education had a positive but insignificant relationship with entrepreneurial intention. It improves the attitude of behaviour towards entrepreneurial intention and the perceived behavioural control of students but was found to have an insignificant impact on the subjective norm.</p>
(Mahmoud & Garba, 2019)	<p>To understand the factors that influence the entrepreneurial intentions of university students in Nigeria.</p>	<p>Quantitative survey method utilizing questionnaires to collect data.</p>	<p>Attitude has a significant positive impact on the entrepreneurial intentions of the students, while subjective norms and perceived behavioural control are not significantly related to entrepreneurial intention. The study provides insight into the attitudes and beliefs of university students in Nigeria towards entrepreneurship and may inform efforts to encourage and support entrepreneurial activity among this population.</p>

(Niroula & Bajracharya, 2019)	Examine the relationship between different factors and entrepreneurial intention among students in Nepal	A quantitative approach using the questionnaire survey SEM model.	Independence is an important factor for entrepreneurship intention to flourish in countries like Nepal
(Ghimire & Neupane, 2020)	To examine the relationship between risk tolerance and self-efficacy in entrepreneurial intention among management students in the Kathmandu valley	Convenient sampling method with self-structured questionnaires and descriptive and correlation research designs for data analysis	Risk tolerance did not have a significant impact on entrepreneurial intention among management students in the Kathmandu valley. Self-efficacy was found to be positively related to entrepreneurial intention among graduate and post-graduate students in the region, supporting previous research.
(Nguyen, 2021)	To assess the factors influencing entrepreneurial intention among Vietnamese women, identifying key variables and their interaction with each other.	Convenience sampling method and SPSS 20 using exploratory factor analysis (EFA).	Subjective norm (QC), attitude (TD), and government support for women (GT) were found to have a significant positive impact on women's entrepreneurial intentions in Vietnam, with subjective norm (QC) having the strongest impact. These findings provide valuable insights into promoting entrepreneurship among women in Vietnam through informed policies and programs.
(Su et al., 2021)	Examine the influence of university support factors on entrepreneurial intention among university students in China	Questionnaire survey and PLS-SEM	Perceived university support has a significant impact on students' attitude towards entrepreneurship and behavioural control, with a greater effect on attitude; Subjective norms do not directly affect entrepreneurial intention; Importance of scientifically designed entrepreneurship course system in promoting entrepreneurial spirit among university students
(Kobylinska, José, & Martínez, 2022)	To examine the impact of personal and contextual factors on the entrepreneurial intentions of Polish students.	Mixed-method, structural EQ	Contextual factors indirectly influence personal factors
	To examine the impact of personal and contextual factors on the entrepreneurial intentions of Polish students.	Critical literature review and statistical research utilizing a causal quantitative methodology (structural equation modelling) and factor analysis.	Not all personal factors significantly impact the entrepreneurial intentions of young people. Subjective norms have no significant effect on the intention to engage in self-employment.

(Gautam & Pandey, 2023)	To investigate factors affecting entrepreneurial intentions of Master's Degree Business Management students and explore how selected demographic factors moderate these factors	Analytical research design with a validated questionnaire administered to 248 students, employing descriptive and inferential statistics to analyze the data and test hypotheses	The entrepreneurial intentions of students are positively influenced by educational support, subjective norms, need for achievement, risk tolerance, business family background, and family/friend support. Gender does not significantly affect these intentions. Universities and policymakers can utilize these findings to develop entrepreneurship-focused courses and evaluation models to foster entrepreneurial intentions among business students.
(Ibrahim et al., 2022)	To investigate the impact of curriculum content and teaching method on entrepreneurial intention among students of tertiary institutions in Bauchi State, Nigeria.	A survey was conducted among 259 final-year students from Abubakar Tafawa Balewa University and Bauchi State University Gadau. Data were analyzed using SPSS.	The study found that entrepreneurship education has a significant positive impact on students' entrepreneurial intentions. Students expressed a strong interest in entrepreneurship and recommended that practical examples of entrepreneurship be included more in classroom teaching. Many of the students indicated their intention to start their businesses after graduation.

2.5 Conceptual Framework

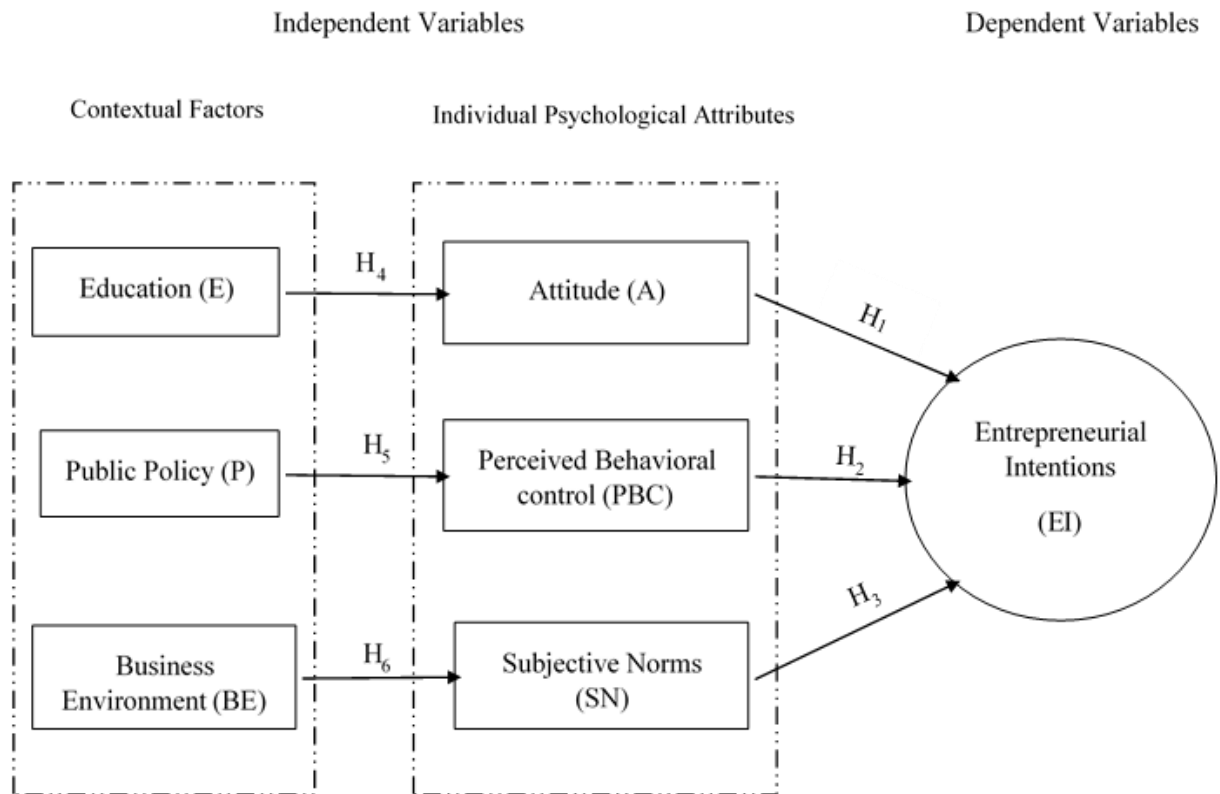
The conceptual model of the factors influencing entrepreneurial intentions among management students can be developed as Contextual Factors refer to the external factors that shape the educational, public policy, and business environments in which individuals make decisions about entrepreneurship. Contextual factors can include the Business environment, Public policy and Education. Individual Psychological Attributes: This refers to the internal traits, characteristics, and dispositions of an individual that shape their behaviour and decision-making processes. Key individual psychological attributes include Attitude, Perceived behavioural control, and Subjective norms.

Interaction between Contextual Factors and Individual Psychological Attributes: This refers to the dynamic interaction between the external contextual factors and the internal individual psychological attributes that shape an individual's entrepreneurial intentions. For example, a favourable business environment combined with a positive attitude and high perceived behavioural control can increase the likelihood of an individual pursuing entrepreneurship.

In this model, Contextual factors and individual psychological attributes interact to influence an individual's entrepreneurial intentions, creating a complex and dynamic relationship. By understanding and influencing these factors, policymakers and educators

can support the development of a favourable environment for entrepreneurship and help individuals pursue their entrepreneurial aspirations.

This research is planned to investigate Contextual factors, Individual psychological attributes and Entrepreneurial intentions among the management students of Nepal. A



(Source: Adopted from Kobylinska,2022)

Figure 2 Conceptual Framework for Examining the Relationships among Contextual Factors, Individual Psychological Attributes and Entrepreneurial Intentions

conceptual framework is proposed based on the literature (Kobylinska, 2022). The model, shown in Figure 1, is distinctive and practical, taking into account contextual variables such as education, public policy, and the business environment that make up the broader entrepreneurial support ecosystem.

The model starts with the personal or individual factors that play a critical role in forming the intention to become an entrepreneur and also highlights the significance of contextual factors that can indirectly impact these intentions and greatly shape the individual characteristics of the entrepreneur. As for individual factors, the three variables from the TPB model - entrepreneurial attitude (A), subjective norm (SN), and perceived control (PC)

- are considered direct predictors of entrepreneurial intentions. Further analysis of literature and empirical research results revealed the need to include new variables in the model of entrepreneurial intentions, specifically the business environment (BE) as a predictor of subjective norm, public policy (PP) as a predictor of perceived control, and the education (E) as a predictor of attitude.

2.6 Research Gap

This study aimed at looking at the entrepreneurial intention of young people, especially students in Nepal at the University level. The study desired to investigate what can cause entrepreneurial intention among University students in Nepal. In other words, the study wanted to explore the contextual factors and individual psychological attributes of entrepreneurship intention among the management students of Nepalese universities. Many studies have been done on the entrepreneurship intentions of University students. However all these studies were done on European students, Asian students, American and even South African students; but hardly, there have been some studies that were done on entrepreneurship intention among the management students of Nepalese universities all of the studies were done specially focused on the individual psychological aspects, not in contextual factors, it is therefore, the purpose of this study is to fill this gap.

CHAPTER III

Research Methodology

3.1 Research Design:

In 2004, Kothari described research design as a method of organizing the conditions for gathering and analyzing data in a way that balances relevance to the research goal and efficiency in the process. The conceptual framework serves as the guide for conducting research, acting as a blueprint for collecting and analyzing data. This study employs a quantitative approach and utilizes a combination of descriptive and analytical research design. This design provides a better understanding of the relationship between Contextual factors, Individual Psychological attributes and Entrepreneurial Intentions among Management students in Nepal.

3.2 Population, Sample and Sampling Design

PLS-SEM can provide solutions even when working with small sample sizes, particularly when dealing with models that have numerous constructs and a substantial number of items (Fornell and Bookstein, 1982; Willaby et al., 2015; Hair et al., 2017b). This study aims to study the Entrepreneurial intention among the management students of Nepalese universities. Thus, all management students enrolled in universities in Nepal, it's near about 12 universities that offer Management courses are the population of the study. The population being studied is known as the target population, and the samples are the individuals or groups who participate in the research inquiry (McLeod, S. A. 2014). PLS-SEM can certainly be used with smaller samples but the population's nature determines the situations in which small sample sizes are acceptable (Rigdon, 2016). For obtaining the data, a sample of 300 students from Tribhuvan University, Kathmandu University and Pokhara University has been taken.

A sample of the population was selected using a convenience sampling method. The sample consisted of management students from three universities in Nepal, ensuring that the sample was representative of the population. The sample size was determined based on the number of participants required to achieve a desirable level of precision and statistical power. The final sample size was determined after considering the availability and accessibility of participants. The participants were selected from the population based on their willingness to participate in the study and their availability at the time of data collection.

3.3 Nature and Sources of Data

The study is based on primary data and is based on the survey method. The physical questionnaires were administered to the students in their lecture rooms after their lectures. Their participation was voluntary and completely anonymous. The primary tool used to collect data was a questionnaire. According to Bhat (2018), a questionnaire is a research instrument that comprises a set of questions or prompts that aim to obtain information from a respondent. It adopts a quantitative research design, which will involve the collection of data through a structured questionnaire. To design this questionnaire strictly follow the methodological components prescribed by (Regmi et al., 2016). The questionnaire will be administered to a sample of management students at Nepalese universities to gather data on contextual factors, individual psychological attributes, and entrepreneurial intentions.

This study adopts a descriptive approach, which has been highly regarded by (Saunders et al., 2007) for its ability to effectively understand individuals' thoughts and opinions on a particular topic. (Kothari et al., 2004) supports this view, emphasizing that a descriptive design can gather information from a large number of participants, obtain an unbiased sample, and accurately reflect the characteristics of the overall population. The study also involved the use of interview guides and questionnaires. Furthermore, the results can be applied to the larger population from which the sample was taken, as indicated by Saunders et al. (2007).

3.4 Instrument of Data Collection

The survey instrument used in the study was a standard questionnaire adapted from my base article “Attitudes, subjective norms, and perceived control versus contextual factors influencing the entrepreneurial intentions among the students from Poland” developed by Kobylińska.

The questionnaire was divided into four sections. Section A incorporates the respondent 's profile which includes the demographic information of the respondents. It includes age, gender and name of the university. Section B contains information regarding individual psychological attributes and consists of 14 Likert scale questions. Section C incorporates the contextual factors vis-à-vis business environment, public policy and education and consists of 13 Likert scale questions. Section D was developed by Linan and Chen (2009) as an “Entrepreneurial intention Questionnaire”. The dependent variable, entrepreneurial intention, consists of 6 Likert scale questions.

Overall, the structured questionnaire comprised 33 questions testing respondents' intentions towards entrepreneurship using a five-point Likert scale. A 5-point Likert scale ("1" = Strongly disagree to "5" = Strongly agree) was used to indicate the extent to which the respondents showed approval towards the statements. The Likert scale was particularly chosen because it is easier to compile than any other attitude scale. The Likert scale gives a reliable measure of the actual position on the continuum, instead of indicating only whether the respondent was favourably inclined on an issue or not.

The questionnaire was approved by our supervisor. Additionally, a pilot test was conducted among 40 students to ensure that the questionnaire was reliable and valid for data collection.

3.5 Data Analysis Tools and Techniques

The data collected were analyzed through statistical tools to fulfil the objectives of the study. Similarly, the study used descriptive and inferential statistics. The descriptive analysis describes the data with tables including percentage and frequency. The data have been analyzed and processed by using Microsoft Excel version 19, SPSS version 26 and SMART-PLS version 4.

3.5.1 Descriptive Statics

Descriptive statistics were used to explain the demographic characteristics of the respondents. Frequency and mean were calculated to describe the status of the variables.

3.5.2 Correlation Analysis

The study used correlation analysis to determine the direction and significance of the association between the set of variables. The correlation coefficient, which ranges from -1 to +1, was used to evaluate the magnitude and direction of the link between the variables. If the correlation coefficient is exactly -1, it indicates a perfect negative correlation, while a value of exactly +1 indicates a perfect positive correlation. A negative correlation coefficient suggests that the variables move in opposite directions, while a positive correlation coefficient indicates that they move in the same direction. The study aimed to clarify the relationship between the dependent variable and independent variables.

3.5.3 Structured Equation Model

The process of analyzing the data collected for the study involved using partial least squared structural equation modelling (PLS-SEM), which is a powerful method for modelling interactions, nonlinearities, and other complex relationships between variables

(Reinartz et al., 2009). SEM is an extension of multiple regression that takes into account measurement error, correlated error terms, and multiple latent variables each measured by multiple indicators (Gaskin, 2016).

To carry out the data analysis, several techniques were employed, including exploratory factor analysis, path diagram, confirmatory factor analysis, and hypothesis testing. The software tools used for the analysis were SMART-PLS. It is a statistical software package that is specifically designed for structural equation modelling, path analysis, and confirmatory factor analysis (Ringle, Wende, & Becker, 2022). a Structured equation model has been advised as follows

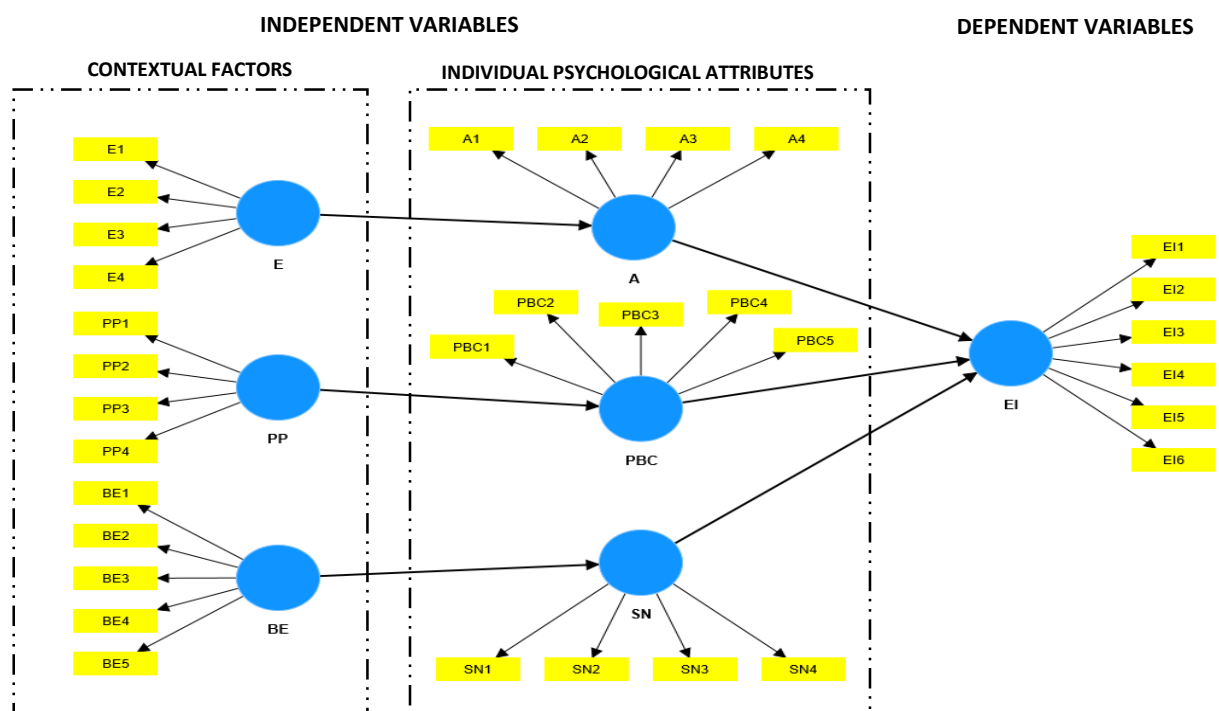
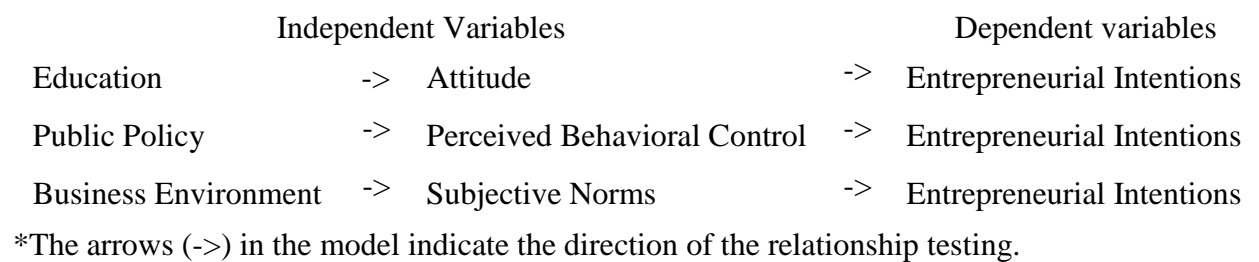


Figure 3 The structural equation model (SEM)

Where The oval represents the latent variables or constructs and the rectangle represents observed variables or indicators in this model.

3.5.4 Reliability and Validity

According to Martyn Shuttleworth (2008), the concept of reliability is based on the idea that any significant findings should not be a one-time occurrence, but rather should be

consistently repeatable. In other words, if we obtain the same result repeatedly, we can conclude that our research is reliable. This means that under the same conditions and with the same experiment, we should expect to see the same outcome every time. On the other hand, validity refers to the extent to which the entire experimental concept fulfils all the requirements of the scientific research method. In our study, a questionnaire with a standard set of questions was prepared under the supervision of our supervisor to ensure that all relevant issues were covered. As with any research, one of our goals was to minimize measurement error.

In my study, Cronbach's alpha is used to determine the reliability of our research. According to Chelsea Goforth (2015), Cronbach's alpha is a measure that evaluates the internal consistency of a set of test or scale items. A Cronbach's alpha value greater than .7 indicates that the measurement is reliable. To assess the reliability of our model, we conducted a test using Cronbach's alpha, and the results can be found in the upcoming chapter (Table 12: Cronbach's alpha).

3.6 Research Framework and Definition of Variables

To measure the variable of entrepreneurial intention, we drew upon the results of previous studies and also incorporated theoretical ideas and knowledge. Specifically, we consulted various pieces of literature to gain a deeper understanding of the key factors that influence entrepreneurial intention among management students in Nepal. Through our research, we identified three important categories of factors: contextual factors, individual psychological attributes, and entrepreneurial intentions. By drawing upon the insights from past research and theory, we aimed to create a questionnaire that was comprehensive and effective in measuring these important factors. Overall, our approach was designed to build on existing knowledge and contribute to a more complete understanding of the factors that shape entrepreneurial intention among management students in Nepal. The overall measurements model is provided in Appendix 1

Table 2 Research Framework and Definition of Variables

Variables	Operational definitions of variables	Reference Literature
Attitude (A)	Attitude can be defined as a person's overall evaluation, feelings, and beliefs towards a particular object, person, or situation. It includes an individual's positive or negative affective response towards the object, as well as their cognitive appraisal of the object based on their beliefs and values.	(Linan & Chen, 2009)
Perceived Behavioral Control (PBC)	Perceived behavioural control can be defined as an individual's subjective perception of the ease or difficulty of performing a particular behaviour. It refers to the extent to which an individual believes they have the resources, skills, and opportunities necessary to perform the behaviour successfully.	(Linan & Chen, 2009)
Attitude (A)	Attitude can be defined as a person's overall evaluation, feelings, and beliefs towards a particular object, person, or situation. It includes an individual's positive or negative affective response towards the object, as well as their cognitive appraisal of the object based on their beliefs and values.	(Linan & Chen, 2009)
Subjective Norms (SN)	Subjective norms can be defined as an individual's perception of the social pressure to perform or not perform a particular behaviour. It refers to the perceived expectations or approval of important others, such as family members, peers, or significant others, regarding the behaviour.	(Linan & Chen, 2009)
Business Environment (BE)	The business environment can be defined as the external factors and conditions that affect the operations, performance, and outcomes of a business. It includes the economic, social, political, technological, legal, and competitive forces and trends that shape the opportunities and challenges faced by businesses.	(Linan & Chen, 2009)
Public Policy (PP)	Public policy can be defined as the deliberate actions, decisions, and strategies implemented by the government or other authorized institutions to address public issues or problems. It includes a wide range of policies and programs that aim to achieve specific societal goals or outcomes, such as promoting public health, ensuring public safety, or advancing economic development.	(Linan & Chen, 2009)
Education (E)	Education can be defined as the process of acquiring knowledge, skills, values, and attitudes through formal or informal learning experiences. It involves the development of cognitive, social, emotional, and physical abilities that enable individuals to function effectively in society and achieve their goals.	(Linan & Chen, 2009)
Entrepreneurial Intentions (EI)	Entrepreneurial intentions can be operationally defined as an individual's conscious decision and motivation to start and run a new business venture. It refers to the individual's willingness and readiness to engage in entrepreneurial activities, such as identifying and pursuing new business opportunities, taking risks, and mobilizing resources.	(Linan & Chen, 2009)

CHAPTER IV

RESULTS AND DISCUSSION

4.1 Results

The data collected from the procedure as stated in chapter three were further taken for analysis and presentation. The analysis of data was performed with the help of SPSS 26, MS-Excel and SMART-PLS 4. The first part analysis deals with the respondents' profile and demographic characteristics. The second part is descriptive analysis, which analysed the collected data through frequency analysis and measures of central tendency. The third part analyses the collected data through correlation and the SEM model to test the hypothesis. Further, the analysis of entrepreneurship intention and its relationship with contextual factors and individual psychological attributes of management students at Nepalese universities is analysed.

4.2 Demographic profile of Respondents

The demographical profile of respondents is reflected in the table:

Table 3 Respondents' Statistics

Particulars	Characteristics	Frequency	Percentage (%)
Age	Below 25	145	48.3
	25-30	129	43.0
	Above 30	26	8.7
Gender	Male	130	43.3
	Female	170	56.7
Name of the University	Tribhuvan University	100	33.3
	Kathmandu University	100	33.3
	Pokhara University	100	33.3

(Source: Survey, 2023)

Table 3 Above is the summary of students' characteristics. Among the 300 respondent Students, 56.7% of the respondents were female, while 43.3% were male. When it came to age, 48.3% of respondents were below 25 years old, 43% were between the ages of 25 and 30, and 8.7% were over 30. The respondents came from management faculties across different universities, with 33.3% coming from Tribhuvan University, another 33.3% from Kathmandu University, and the remaining 33.3% from Pokhara University.

4.3 Status of Contextual Factors vis-à-vis Education, Public Policy and Business Environment in Nepal

4.3.1 Status of Education in Nepal

Education is part of contextual factors as one of the independent variables of this research to identify the status of education in Nepal regarding entrepreneurial intentions. A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 4 Descriptive Statics of Education

Code	Items vis-à-vis Education	Mean	SD
A1	Additional entrepreneurship training after graduation is required to form a company.	3.96	.922
A2	To create a company, it is necessary to study entrepreneurship at university.	3.62	1.098
A3	My university gives good education and training to develop entrepreneurial potential.	3.72	1.083
A4	Knowledge about the entrepreneurial environment.	3.92	.889
	Overall	3.803	.727

(Source: Survey, 2023)

The data presented in Table 4 show descriptive statistics of an individual item and as a whole of the education sub-factor. It presents a set of statements (A1 to A4) related to entrepreneurship education and their mean and standard deviation (SD) scores based on some survey or measurement. The overall descriptive statistics for this set of statements show that the average mean score is 3.803, indicating that the respondents, on average, hold a slightly positive view towards entrepreneurship education. The overall standard deviation is 0.727, which indicates that there is some variation in the responses, but not significant. Looking at each statement individually, A1 has the highest mean score of 3.96, indicating that respondents strongly agree that additional entrepreneurship training is required after graduation to form a company. A2 has a lower mean score of 3.62, which suggests that respondents are less certain about the necessity of studying entrepreneurship at university to create a company. A3 has a mean score of 3.72, which shows that respondents generally believe that their university provides good education and training to develop entrepreneurial potential. Finally, A4 has a mean score of 3.92, indicating that respondents think that knowledge about the entrepreneurial environment is important, but not as critical as additional training after graduation (A1).

Overall, the set of statements shows that respondents have a generally positive view of entrepreneurship education, with some variations in the perceived importance of specific aspects of it.

4.3.2 Status of Public Policy in Nepal

Public policy is part of contextual factors as one of the independent variables of this research to identify the status of public policy in Nepal regarding entrepreneurial intentions. A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 5 Descriptive Statics of Public Policy

Code	Items vis-à-vis Public policy	Mean	SD
PP1	To create a company, it is necessary to have an appropriate tax policy for the state.	4.21	.864
PP2	A good economic situation in the country is necessary to create a company.	4.12	.859
PP3	A government policy that favours entrepreneurship is necessary to create a business.	4.09	.870
PP4	To set up a company, the country must be in a good financial position.	3.95	.940
Overall		4.0925	.65172

(Source: Survey, 2023)

The data presented in Table 5 are the four statements related to public policy and their mean and standard deviation scores, as well as overall descriptive statistics for the Public Policy dimension of Entrepreneurial Intentions. The mean score for each statement is above 4, indicating that participants generally agree that public policy plays an important role in creating a conducive environment for entrepreneurship. Statement PP1 received the highest mean score of 4.21, indicating that participants strongly agree that having an appropriate tax policy is necessary to create a company. The standard deviation scores for each statement are relatively low, indicating that the responses were consistent among participants.

Overall, the descriptive statistics show that public policy is perceived as an important factor in promoting entrepreneurship.

4.3.3 Status of Business Environment in Nepal

Public policy is part of contextual factors as one of the independent variables of this research to identify the status of public policy in Nepal regarding entrepreneurial intentions.

A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 6 Descriptive Statics of Business Environment

Code	Items vis-à-vis Business environment	Mean	SD
BE1	To create a company, the possibilities and assistance of the entrepreneurial environment are necessary.	4.15	.824
BE2	To create a company, it is necessary (e) the appropriate technological development of the country.	4.14	.881
BE3	To create a company, it is necessary to innovate and develop entrepreneurship in the country.	4.05	.885
BE4	A good supply/demand ratio is necessary to form a business.	4.21	.828
BE5	Government subsidies are required to form a business.	3.93	.872
	Overall	4.0960	.62873

(Source: Survey, 2023)

The data presented in Table 6 are the set of statements (BE1 to BE5) related to the business environment and their mean and standard deviation (SD) scores based on some survey or measurement. The overall descriptive statistics for this set of statements show that the average mean score is 4.0960, indicating that the respondents, on average, hold a slightly positive view towards the importance of the business environment in entrepreneurial intentions. Looking at each statement individually, BE4 has the highest mean score of 4.21, indicating that respondents strongly agree that a good supply/demand ratio is necessary to form a business. This implies that a favourable market environment with a high demand for goods and services and low competition could lead to a positive impact on entrepreneurial intentions. BE1 and BE2 have a similar mean score of 4.15 and 4.14, respectively, suggesting that respondents believe that the possibilities and assistance of the entrepreneurial environment and the appropriate technological development of the country are also important factors in creating a company. This implies that favourable business support policies, including funding, mentoring, networking, and regulatory support, along with technological development, could contribute to an entrepreneurial culture and foster entrepreneurial intentions. BE3 has a mean score of 4.05, which shows that respondents believe that innovation and entrepreneurship development in the country is also necessary to create a business. This implies that innovation and entrepreneurial activities, such as research and development, intellectual property, and spin-off creation, could create a favourable business environment and stimulate entrepreneurial intentions. Finally, BE5 has the lowest mean score of 3.93, indicating that respondents think that government subsidies

are required to form a business, but are not as critical as the other factors mentioned. This suggests that while government subsidies could provide financial incentives for new businesses, they are not necessarily a crucial factor in driving entrepreneurial intentions. Overall, the set of statements suggests that respondents believe that a favourable business environment that includes a good supply/demand ratio, entrepreneurial support policies, technological development, innovation, and entrepreneurship development could contribute to entrepreneurial intentions.

4.4 Status of Individual Psychological Attributes vis-à-vis Attitude, Perceived Behavioural Control and Subjective Norms Among Management Students at Nepalese Universities

4.4.1 Status of Attitude

Attitude is part of individual psychological attributes as one of the independent variables of this research to identify the status of attitude among the management students of Nepalese universities. A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 7 Descriptive statistics of Attitude

Code	Items vis-à-vis Attitude	Mean	SD
A1	I am a supporter of entrepreneurship	4.35	.834
A2	Entrepreneurship has a positive impact on the social and economic development of the country.	4.34	.774
A3	Entrepreneurship is a value in itself.	4.13	.877
A4	I regard entrepreneurship as a value.	4.01	.888
	Overall	4.20	.658

(Source: Survey, 2023)

The data presented in Table 7 shows the attitude of management students in Nepalese universities towards entrepreneurship is generally positive. The mean score for each statement related to attitude towards entrepreneurship is above 4, indicating that management students in Nepalese universities have a favourable perception of entrepreneurship. Despite the lowest mean score of A4 being 4.01, which is still relatively high, the majority of management students in Nepalese universities value entrepreneurship, as evidenced by the highest mean score of A1 being 4.35, indicating their supportive attitude towards entrepreneurship. The overall mean of attitude is 4.20, which further suggests that management students in Nepalese universities have a positive attitude towards entrepreneurship.

Overall, the data suggest that management students in Nepalese universities have a positive attitude towards entrepreneurship and recognize its potential to contribute to the development of the country.

4.4.2 Status of Perceived Behavioural Control

Perceived behavioural control is part of individual psychological attributes as one of the independent variables of this research to identify the status of perceived behavioural control among the management students of Nepalese universities. A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 8 Descriptive Statics of Perceived Behavioural Control

Code	Items vis-à-vis Perceived behavioural control	Mean	SD
PBC1	I know the necessary practical details to start a firm.	3.70	.958
PBC2	I know how to develop an entrepreneurial project.	3.45	.918
PBC3	I can control the creation process of a new firm.	3.50	.987
PBC4	I am prepared to start a viable firm.	3.32	1.021
PBC5	If I tried to start a firm, I would have a high probability of succeeding.	3.64	1.006
	Overall	3.49	.764

(Source: Survey, 2023)

The data presented in Table 8 shows the mean score for perceived behavioural control (PBC) among management students at Nepalese universities is 3.49, with the highest mean score of 3.70 for PBC1, indicating that they have a relatively good understanding of the practical details necessary to start a firm. However, the mean scores for PBC2, PBC3, and PBC4 are lower, ranging from 3.32 to 3.50, suggesting that management students in Nepalese universities may not feel fully prepared to develop an entrepreneurial project, control the creation process of a new firm, or start a viable firm. Nonetheless, the mean score for PBC5 is 3.64, indicating that they still have a moderate level of confidence in their ability to succeed if they were to try to start a firm.

4.4.3 Status of Subjective Norms

Subjective norm is part of individual psychological attributes as one of the independent variables of this research to identify the status of subjective norms among the management students of Nepalese universities. A descriptive study of each question is drafted and the overall descriptive study is shown below.

Table 9 Descriptive statics of Subjective Norms

Code	Items vis-à-vis Subjective norms	Mean	SD
SN1	My friends would approve of my decision to start a business.	3.81	.958
SN2	My colleagues would approve of my decision to start a business.	3.79	.949
SN3	My immediate family would approve of my decision to start a business.	3.88	.984
SN4	I need to be internally motivated (e.g. a desire for a professional career, and the need for continuous learning).	4.23	.857
	Overall	3.93	.71137

(Source: Survey, 2023)

The data presented in Table 9 shows the mean and standard deviation of the responses of management students at Nepalese universities to statements related to subjective norms regarding entrepreneurship. The highest mean scores are for SN3, indicating that the majority of students believe their immediate family would approve of their decision to start a business, followed closely by SN1 and SN2, indicating that the majority of students believe their friends and colleagues would also approve. The mean score for SN4 is the highest among all the statements, indicating that students highly value internal motivation such as a desire for a professional career and the need for continuous learning when considering entrepreneurship. Overall, the mean score for subjective norms is 3.93, indicating that management students in Nepalese universities consider the opinions of their social circle to be an important factor when deciding to start a business.

4.5 Entrepreneurial Intentions

Entrepreneurial Intention is the dependent variable of this research. A descriptive study of each question drafted and an overall descriptive study on this variable is shown below

Table 10 Descriptive Statics of Entrepreneurial Intentions

Code	Items vis-à-vis Entrepreneurial intentions	Mean	SD
EI1	I am determined to create a firm in the future.	3.89	.976
EI2	My professional goal is to become an entrepreneur.	3.85	.986
EI3	I am ready to do anything to be an entrepreneur.	3.63	1.044
EI4	I intend to create a company in the future.	3.79	.979
EI5	I have very seriously thought of starting a business.	3.83	1.029
EI6	I have the firm intention to start a firm someday.	3.86	.977
	Overall	3.8078	.81894

(Source: Survey, 2023)

The data presented in Table 10 shows the mean scores and standard deviations for six statements related to entrepreneurial intentions among management students at Nepalese universities. The overall mean score for these statements is 3.8078, with a standard deviation of 0.81894. This indicates that, on average, management students in Nepalese universities have a relatively strong intention to start their businesses in the future. Specifically, the highest mean score is for statement EI1 at 3.89, while the lowest mean score is for statement EI3 at 3.63. However, all of the mean scores are relatively close together, suggesting that there is a generally positive attitude towards entrepreneurship among these students.

4.6 Correlation Between Contextual Factors and Individual Psychological Attributes

In the study, correlation analysis is used to examine the relationship between contextual factors and Individual psychological attributes among management students of Nepalese universities. The correlation coefficients between six variables Attitude, Perceived behavioural control, Subjective norms, Education, Public policy and Business environment. To state the relationship between contextual factors and individual psychological attributes we need to analyze the correlation coefficients between them as shown below.

Table 11 Relationship Between Contextual Factors and Individual Psychological Attributes

Variables	I.P.A			C.F		
	A	PBC	SN	E	PP	BE
A	1	**0.386	**0.36	**0.231	**0.376	**0.456
I.P.A PBC	**0.386	1	0.456	**0.276	**0.212	**0.368
SN	**0.360	**0.456	1	0.355	**0.396	**0.574
E	**0.231	**0.276	**0.355	1	**0.457	**0.373
C.F PP	**0.376	**0.212	**0.396	**0.457	1	**0.621
BE	**0.456	**0.368	**0.574	**0.373	**0.621	1

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

(Source: Own research, 2023)

The data presented in Table 11 shows there is a moderate positive correlation between Attitude (A) and Business environment (BE) ($r = 0.456$), indicating that as Business environment (BE) increases, so does Attitude (A). There is also a moderate negative

correlation between Attitude (A) and Education (E) ($r = -0.231$), indicating that as Education (E) decreases, Attitude (A) tends to increase.

In terms of the relationship between contextual factors and individual psychological attributes, we can see that there is a moderate positive correlation between Business environment (BE) and Public policy (PP) ($r = 0.621$), indicating that as the Business environment increases, so does Public policy. There is also a moderate positive correlation between Education (E) and Public Policy (PP) ($r = 0.457$), indicating that as Education increases, so does Public policy. There is a weak positive correlation between Perceived Behavioural Control (PBC) and Public policy (PP) ($r = 0.212$), indicating that as Perceived Behavioural Control increases, Public policy tends to increase slightly. However, there is no significant correlation between Subjective Norms and any of the contextual factors or individual psychological attributes

Overall, we can see that there are some moderate positive correlations between contextual factors and individual psychological attributes. In particular, Business environment and Subjective norms seem to be the most strongly correlated, followed by Public policy and Attitude. Education and Perceived behavioural control are weakly correlated with all individual psychological attributes.

4.7 Correlation Between Individual Psychological Attributes and Entrepreneurial Intentions

In the study, correlation analysis is used to examine the relationship between Individual psychological attributes and Entrepreneurial intentions among management students of Nepalese universities. The correlation coefficients between the four variables are given below.

Table 12 Relationship Between Individual Psychological Attributes And Entrepreneurial Intentions

Variables		I.P.A			
		A	PBC	SN	E.I
I.P.A	A	1	**0.386	**0.360	**0.375
	PBC	**0.386	1	**0.456	**0.476
	SN	**0.360	**0.456	1	**0.394
	E.I	**0.375	**0.476	**0.394	1

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

(Source: Survey,2023)

The data presented in Table 12 shows a correlation matrix between the variables IPA (Individual Psychological Attributes), PBC (Perceived Behavioral Control), SN (Subjective Norms), and EI (Entrepreneurial Intentions). The correlation coefficients range from -1 to 1, where -1 indicates a perfect negative correlation, 0 indicates no correlation, and 1 indicates a perfect positive correlation. The values in the diagonal represent the correlation of each variable with itself, which is always 1.

The results show that there is a significant positive correlation between IPA and EI ($r = 0.375$, $p < 0.01$). This indicates that individuals with higher levels of individual psychological attributes are more likely to have higher levels of entrepreneurial intentions.

There is also a significant positive correlation between PBC and EI ($r = 0.476$, $p < 0.01$). This suggests that individuals who perceive higher levels of control over their behaviour are more likely to have higher levels of entrepreneurial intentions.

There is a significant positive correlation between SN and PBC ($r = 0.456$, $p < 0.01$). This suggests that subjective norms influence perceived behavioural control.

Finally, there is a significant positive correlation between SN and EI ($r = 0.394$, $p < 0.01$). This indicates that individuals who perceive higher levels of support from others are more likely to have higher levels of entrepreneurial intentions.

Overall, the results suggest that individual psychological attributes, perceived behavioural control, and subjective norms are important predictors of entrepreneurial intentions.

4.8 Relationship Among Contextual Factors, Individual Psychological Attributes and Entrepreneurial Intentions

4.8.1 Reliability

To assess the internal consistency and reliability of a set of scale or test items, we employed the use of Cronbach's alpha. As stated by (Goforth, 2015), Cronbach's alpha is a statistical measure used to determine the extent to which a construct measurement is free from error and can produce consistent results. According to (Gaskin et al., 2021), a Cronbach's alpha value greater than 0.7 indicates good reliability, which is appropriate for exploratory analysis.

Table 13 Cronbach's Alpha

Construct	Alpha Cronbach's
A (Attitude)	0.785
PBC (Perceived Behavioral Control)	0.806
SN (Subjective Norms)	0.754
BE (Business Environment)	0.784
PP (Public Policy)	0.773
E (Education)	0.700
EI (Entrepreneurial Intentions)	0.902

(Source: Survey, 2023)

The data presented in Table 13 shows the internal consistency reliability of seven constructs related to entrepreneurship, as measured by Cronbach's alpha coefficient. Cronbach's alpha is a statistical measure of the reliability of a scale or questionnaire, which indicates the extent to which the items in the scale or questionnaire are measuring the same underlying construct or concept.

The interpretation of all the constructs has an acceptable level of internal consistency reliability, as indicated by their Cronbach's alpha coefficients. An alpha coefficient of 0.70 or higher is generally considered an acceptable level of internal consistency reliability for research purposes. The construct with the highest level of internal consistency reliability is Entrepreneurial Intentions (EI), with a Cronbach's alpha coefficient of 0.902. This indicates that the items used to measure EI are highly correlated and are measuring the same underlying construct consistently. The constructs with the lowest level of internal consistency reliability are Education (E) and Subjective Norms (SN), with Cronbach's alpha coefficients of 0.700 and 0.754, respectively. While these coefficients are still acceptable, they are somewhat lower than the coefficients for the other constructs, indicating that there may be some variability in how well the items in these constructs are measuring the same underlying construct.

4.8.2 Normality Test

Table 14 Normality test

	Tests of Normality					
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Attitude	.128	300	.000	.883	300	.000
Perceived Behavioral Control	.096	300	.000	.975	300	.000

Subjective Norms	.133	300	.000	.939	300	.000
Business Environment	.139	300	.000	.914	300	.000
Public Policy	.157	300	.000	.892	300	.000
Education	.141	300	.000	.920	300	.000
Entrepreneurial Intentions	.092	300	.000	.954	300	.000

a. Lilliefors Significance Correction

(Source: Own research,2023)

4.8.3 Measurement model Assessment

The relationship between concept and indicator variables is explained by the measurement model, also known as the outer model in PLS-SEM. This research work has two forms of measurement models such as formative and reflective models. Assessment of the reflective measurement model involves evaluating the reliability factor, consistency reliability, validity and discriminant validity (Reinartz, Haenlein, & Henseler, 2009). The estimation model has been dissected because of PLS-SEM with the assistance of Smart PLS 4.0. For the appraisal of the estimation model, factor stacking, composite dependability, Cronbach's alpha, a normally separated difference (AVE), and discriminant legitimacy were inspected. The findings of all analyses used to assess the measurement model's validity and reliability are presented in the following sections. The research is based on a reflective measurement model that can be seen with its outer loadings in Figure 4.

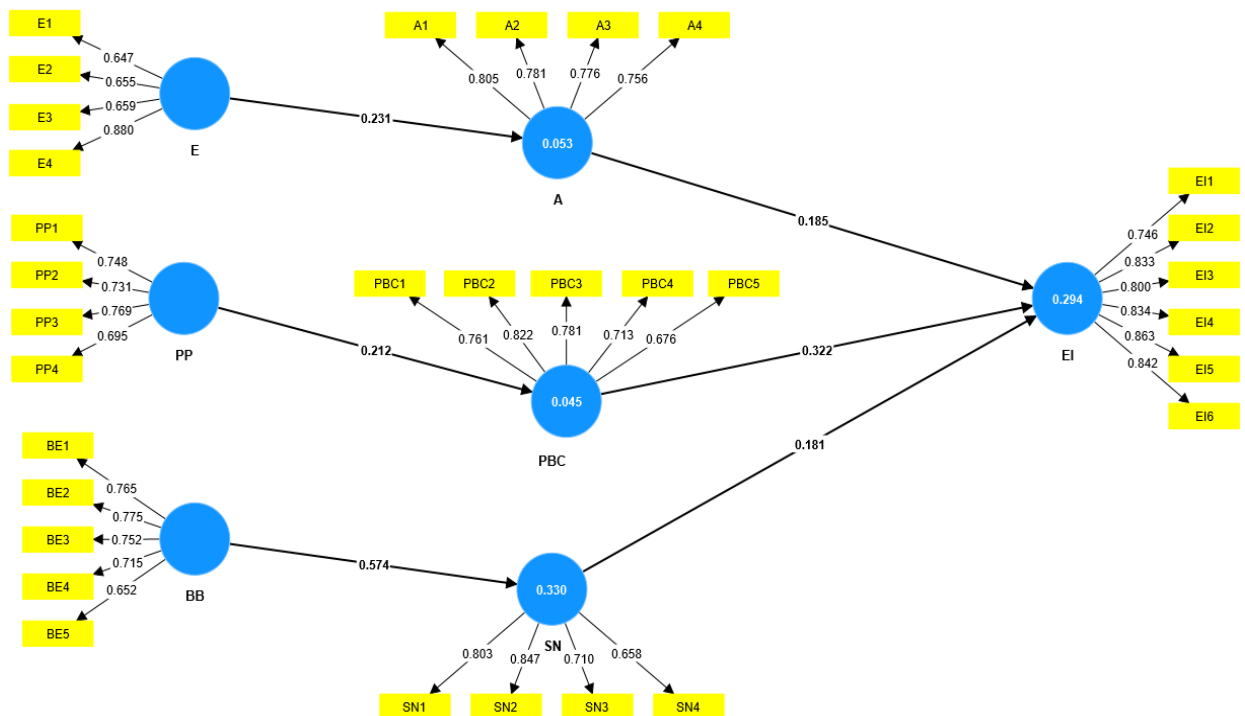


Figure 4 Measurement assessment model

Table 15 Path coefficients List

Variables	Path coefficients
Attitude -> Entrepreneurial Intentions	0.185
Business Environment -> Subjective Norms	0.574
Education -> Attitude	0.231
Perceived Behavioral Control -> Entrepreneurial Intentions	0.322
Public Policy -> Perceived Behavioral Control	0.212
Subjective Norms -> Entrepreneurial Intentions	0.181

(Source: Survey2023)

4.8.3.1 Reliability and Convergent Validity

Reliability is the extent to which a measurement scale can consistently and accurately measure what it is intended to measure (Polit & Hungler, 1995). One way to measure internal consistency reliability is through Cronbach's alpha, which calculates the inter-item correlation of a given construct. Another method for evaluating reliability is Composite Reliability, which is a newer technique introduced by (Henseler, Ringle, & Sarstedt, 2015).

Table 16 Reliability and Convergent Validity

Variables	Loadings	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	The average variance extracted (AVE)
Attitude		0.786	0.796	0.861	0.608
	A1	0.805			
	A2	0.781			
	A3	0.776			
	A4	0.756			
Business Environment		0.784	0.79	0.853	0.537
	BE1	0.765			
	BE2	0.775			
	BE3	0.752			
	BE4	0.715			
	BE5	0.652			
Education		0.706	0.902	0.806	0.514
	E1	0.647			
	E2	0.655			
	E3	0.659			
	E4	0.88			
Entrepreneurial Intentions		0.902	0.905	0.925	0.673
	EI1	0.88			

	EI2	0.746				
	EI3	0.833				
	EI4	0.8				
	EI5	0.834				
	EI6	0.863				
Perceived Behavioral Control			0.808	0.818	0.866	0.566
	PBC1	0.842				
	PBC2	0.761				
	PBC3	0.822				
	PBC3	0.781				
	PBC4	0.713				
	PBC5	0.676				
Public Policy			0.724	0.727	0.825	0.542
	PP1	0.748				
	PP2	0.731				
	PP3	0.769				
	PP4	0.695				
Subjective Norms			0.75	0.755	0.843	0.575
	SN1	0.803				
	SN2	0.847				
	SN3	0.71				
	SN4	0.658				

(Source: Own research, 2023)

The data presented in Table 16 provides the results of the reliability and validity tests for the variables in the model. Cronbach's alpha is a measure of internal consistency reliability and indicates how closely related a set of items is as a group. In this case, all variables have alpha values above 0.7, which is considered as good and shows the reliability of the data (Ursachi, Horodnic, & Zait, 2015)). Composite reliability (rho_a) and composite reliability (rho_c) are measures of the construct reliability and assess the consistency and stability of the constructs. All constructs have rho_a and rho_c values above 0.7, indicating that they are reliable. The average variance extracted (AVE) is a measure of convergent validity and reflects the degree to which a construct is related to the measures used to assess it. All constructs have AVE values above 0.5, which is the minimum acceptable level, indicating that they have good convergent validity. Overall, the results of the reliability and validity tests suggest that the variables in the model are reliable and valid measures of their respective constructs.

Table 17 Cronbach alpha values

Cronbach alpha	Consistency
$a > 0.9$	Fantastic
$0.7 < a < 0.9$	Great 0.6
$< a < 0.7$	Satisfactory
$0.5 < a < 0.6$	Faulty
$a < 0.5$	Unsuitable source

(Source: Kline, 2000)

4.8.3.2 Discriminant Validity

According to (Dinev & Hart, 2004), Discriminant validity refers to the degree to which a measurement is distinct from other similar constructs within the homological network. To assess Discriminant validity, the Fornell-Larcker, cross-loading, and Heterotrait-Monotrait criteria were utilized.

Table 18 Discriminant Validity- Fornell & Larker Criterion

Variables	A	BE	E	EI	PBC	PP	SN
Attitude	0.780						
Business Environment	0.456	0.733					
Education	0.231	0.373	0.717				
Entrepreneurial intentions	0.375	0.423	0.261	0.820			
Perceived behavioural control	0.386	0.368	0.276	0.476	0.752		
Public Policy	0.376	0.621	0.457	0.313	0.212	0.736	
Subjective Norms	0.360	0.574	0.355	0.394	0.456	0.396	0.758

Note: Diagonals are the square root of AVE

(Source: Survey 2023)

The data presented in Table 18 represents a correlation matrix for seven variables: Attitude (A), Business Environment (BE), Education (E), Entrepreneurial intentions (EI), Perceived Behavioral Control (PBC), Public Policy (PP), Subjective Norms (SN). The diagonal elements in the matrix represent the square root of the Average Variance Extracted (AVE) for each variable, which is an estimate of the amount of variance that is captured by the construct relative to the amount of measurement error.

The off-diagonal elements represent the correlations between the variables. For example, the correlation between Attitude (A) and Business Environment (BE) is 0.456, while the correlation between Attitude (A) and Education (E) is 0.231.

The data can be used to assess discriminant validity, which is a measure of the degree to which constructs measure distinct and unique concepts. Discriminant validity can be

assessed using the Fornell and Larcker criterion, which suggests that the square root of the AVE for each construct should be greater than the correlation between that construct and any other construct in the model.

Based on Table 18, it appears that all variables meet the Fornell and Larcker criterion for discriminant validity, as the square root of the AVE for each variable is greater than the correlations between that variable and another variable in the model.

For example, the square root of the AVE for Attitude (A) is 0.88, which is greater than its correlations with all other variables in the model (which range from 0.36 to 0.78). Similarly, the square root of the AVE for Business Environment (BE) is 0.85, which is greater than its correlations with all other variables in the model (which range from 0.37 to 0.73).

In summary, the data presented in the correlation matrix suggests that the variables in the model have discriminant validity, meaning that they measure distinct and unique concepts.

Table 19 Cross Loadings

Variables	A	BE	E	EI	PBC	PP	SN
A1	0.805	0.378	0.2	0.356	0.282	0.289	0.303
A2	0.781	0.361	0.124	0.276	0.285	0.293	0.27
A3	0.776	0.306	0.204	0.237	0.274	0.292	0.248
A4	0.756	0.37	0.186	0.282	0.366	0.302	0.297
BE1	0.376	0.765	0.247	0.357	0.367	0.429	0.494
BE2	0.388	0.775	0.286	0.243	0.267	0.448	0.424
BE3	0.315	0.752	0.278	0.303	0.23	0.422	0.413
BE4	0.277	0.715	0.28	0.289	0.152	0.512	0.364
BE5	0.299	0.652	0.285	0.355	0.307	0.483	0.391
E1	0.109	0.312	0.647	0.184	0.164	0.396	0.231
E2	0.114	0.268	0.655	0.217	0.233	0.311	0.241
E3	0.091	0.196	0.659	0.169	0.155	0.277	0.215
E4	0.258	0.305	0.88	0.204	0.236	0.363	0.315
EI1	0.372	0.48	0.29	0.746	0.352	0.425	0.419
EI2	0.309	0.288	0.25	0.833	0.425	0.195	0.268
EI3	0.251	0.25	0.171	0.8	0.335	0.232	0.231
EI4	0.283	0.392	0.173	0.834	0.422	0.189	0.372
EI5	0.281	0.331	0.201	0.863	0.39	0.266	0.319
EI6	0.33	0.311	0.187	0.842	0.406	0.22	0.303
PBC1	0.326	0.366	0.209	0.417	0.761	0.231	0.316
PBC2	0.329	0.281	0.215	0.377	0.822	0.146	0.344
PBC3	0.225	0.243	0.249	0.349	0.781	0.14	0.325
PBC4	0.282	0.146	0.13	0.321	0.713	0.082	0.267

PBC5	0.28	0.314	0.229	0.306	0.676	0.174	0.473
PP1	0.317	0.479	0.331	0.178	0.13	0.748	0.3
PP2	0.278	0.521	0.345	0.238	0.115	0.731	0.269
PP3	0.327	0.494	0.284	0.244	0.18	0.769	0.28
PP4	0.195	0.361	0.387	0.248	0.178	0.695	0.311
SN1	0.296	0.431	0.279	0.279	0.375	0.291	0.803
SN2	0.269	0.446	0.278	0.357	0.41	0.296	0.847
SN3	0.191	0.345	0.256	0.241	0.288	0.206	0.71
SN4	0.315	0.491	0.258	0.298	0.295	0.379	0.658

(Source: Survey 2023)

The presented data in Table 19 shows the results of cross-loadings generated by the Smart PLS algorithm function. Cross loadings are used in factor analysis to measure the degree to which an item is related to other factors in addition to the one it is supposed to measure. In the given data, the cross-loadings are presented in a table, where each row represents an item and each column represents a factor. The numbers in the table represent the strength of the relationship between each item and each factor.

To interpret the cross-loadings in the table, we can look at the highest value in each row and see which factor it corresponds to. If an item has a high cross-loading with multiple factors, it suggests that the item may be measuring more than one construct.

For example, consider the first row which represents the item Business Environment (BE). The highest cross-loading for this item is with factor Entrepreneurial Intentions (EI) (0.48). This suggests that item BE is strongly related to factor EI, but it may also have some relationship with other factors as well, such as factor E (0.378) and factor PP (0.356).

Similarly, for the second row representing item Education (E), the highest cross-loading is with factor Subjective Norms (SN) (0.396). This suggests that item E is primarily related to factor SN, but it may also have some relationship with other factors such as factor PBC (0.231) and factor BE (0.109).

Overall, interpreting cross-loadings requires careful consideration of the context and theoretical framework of the study, as well as the specific values in the table. It is also important to note that cross-loadings are not always conclusive and may require further analysis or revision of the factor structure.

Table 20 HTMT (Heterotrait-Monotrait Ratio)

Variables	A	BE	E	EI	PBC	PP	SN
Attitude							
Business Environment	0.572						
Education	0.262	0.505					
Entrepreneurial Intentions	0.433	0.495	0.331				
Perceived Behavioral Control	0.482	0.442	0.355	0.548			
Public Policy	0.501	0.84	0.642	0.377	0.257		
Subjective Norms	0.458	0.733	0.473	0.466	0.585	0.52	

(Source: Survey: 2023)

According to Henseler et al. (2015), if the HTMT is less than 0.9 for each variable in a measurement model, then discriminant validity is established. The data presented in Table 20 provided appears to be a correlation matrix between six variables: Business Environment (BE), Education (E), Entrepreneurial Intentions (EI), Perceived Behavioral Control (PBC), Public Policy (PP), and Subjective Norms (SN). Each cell in the matrix represents the correlation coefficient between two variables. For example, the correlation between BE and A (Attitude) is 0.572, the correlation between E and A is 0.262, and so on. The Heterotrait-Monotrait ratio of correlations (HTMT) is a method used to assess discriminant validity, which is the extent to which measures of different constructs are distinct from each other. Discriminant validity is important to ensure that a measure is not simply measuring the same thing multiple times.

Therefore, the researchers likely used the HTMT method to assess the discriminant validity of their measurement model. However, the HTMT values are not provided in the data provided.

4.8.3.3 Goodness of Fit

In research, structural equation modelling (SEM) is a commonly used statistical technique for testing complex theoretical models. One important aspect of SEM is evaluating the goodness of fit of the model, which refers to how well the model fits the observed data. According to Hair et al. (2014), a commonly used criterion for satisfactory fit is that SRMR should be below 0.08. If the SRMR value is below this threshold, it is generally considered acceptable for the research model.

Table 21 Model fit

	Saturated model	Estimated model
SRMR	0.071	0.128
d_ULS	2.697	8.648
d_G	0.676	0.812
Chi-square	1179.242	1307.959
NFI	0.730	0.700

(Source: Survey 2023)

The presented data in Table 21 appears to be presenting the SRMR values for two structural equation models: a saturated model and an estimated model. The SRMR value for the saturated model is 0.071, which is below the recommended threshold of 0.08 for a good fit. This suggests that the saturated model fits the observed data well.

4.8.4 Assessment of Structural Model

The validity of the structural model for the research study is evaluated through a series of tests outlined in the following subsections. These tests include analyzing the coefficient of determination (R^2) and path coefficients. The R^2 provides information on how well the model fits the observed data, while path coefficients indicate the strength and direction of the relationships between the latent and observed variables. Additional tests such as sensitivity analyses and model comparisons may also be conducted to ensure the robustness of the findings. A thorough assessment of the structural model's validity requires careful consideration of multiple factors, including model fit and potential alternative explanations for the observed data patterns.

4.8.4.1 Indicator Collinearity (Inner VIF)

To detect collinearity among indicators, researchers use the VIF (Variance Inflation Factor) statistic. Collinearity occurs when there is a correlation between independent variables in a regression model. This correlation can pose problems when analyzing the findings of the model. A high degree of correlation between variables may cause issues when fitting the model and interpreting the results. The Variance Inflation Factor (VIF) values were less than 5, ranging from 1 to 1.36, indicating that the model was not multicollinear (Hair et al., 2014).

Table 22 Collinearity Statics (VIF)- Inner Model

Variables	A	BE	E	EI	PBC	PP	SN
Business Environment							1
Education	1						
Entrepreneurial Intentions							
Perceived Behavioral Control				1.36			
Public Policy					1		
Subjective Norms				1.329			

(Source: Survey, 2023)

The data presented in Table 22 shows the collinearity statistics (VIF - Variance Inflation Factor) for a structural equation model's inner model. The values in the cells of the table represent the VIF scores for each construct in the model. A VIF score greater than 1 indicates that the construct is highly correlated with other constructs in the model, indicating potential issues with multicollinearity.

Based on Table 21, the Education construct has a VIF score of 1, indicating a low correlation with other constructs. The Business Environment and Public Policy constructs also have VIF scores of 1, suggesting low collinearity with other constructs. In contrast, the Attitude construct has a VIF score of 1.238, and the Subjective Norms construct has a VIF score of 1.329, indicating some degree of collinearity with other constructs in the model. The Perceived Behavioral Control construct has the highest VIF score of 1.36, suggesting the potential for the most significant collinearity issues. Overall, the VIF scores can help researchers identify which constructs in the model are most likely to have collinearity issues and take appropriate steps to address them before analyzing the findings.

4.8.4.2 Hypothesis Testing

To test the hypotheses and determine the significance of the path coefficients, the model was measured using the bootstrapping method with 5000 resamples. The PLS technique was used to assess the relationship between the factors depicted in the figure and table.

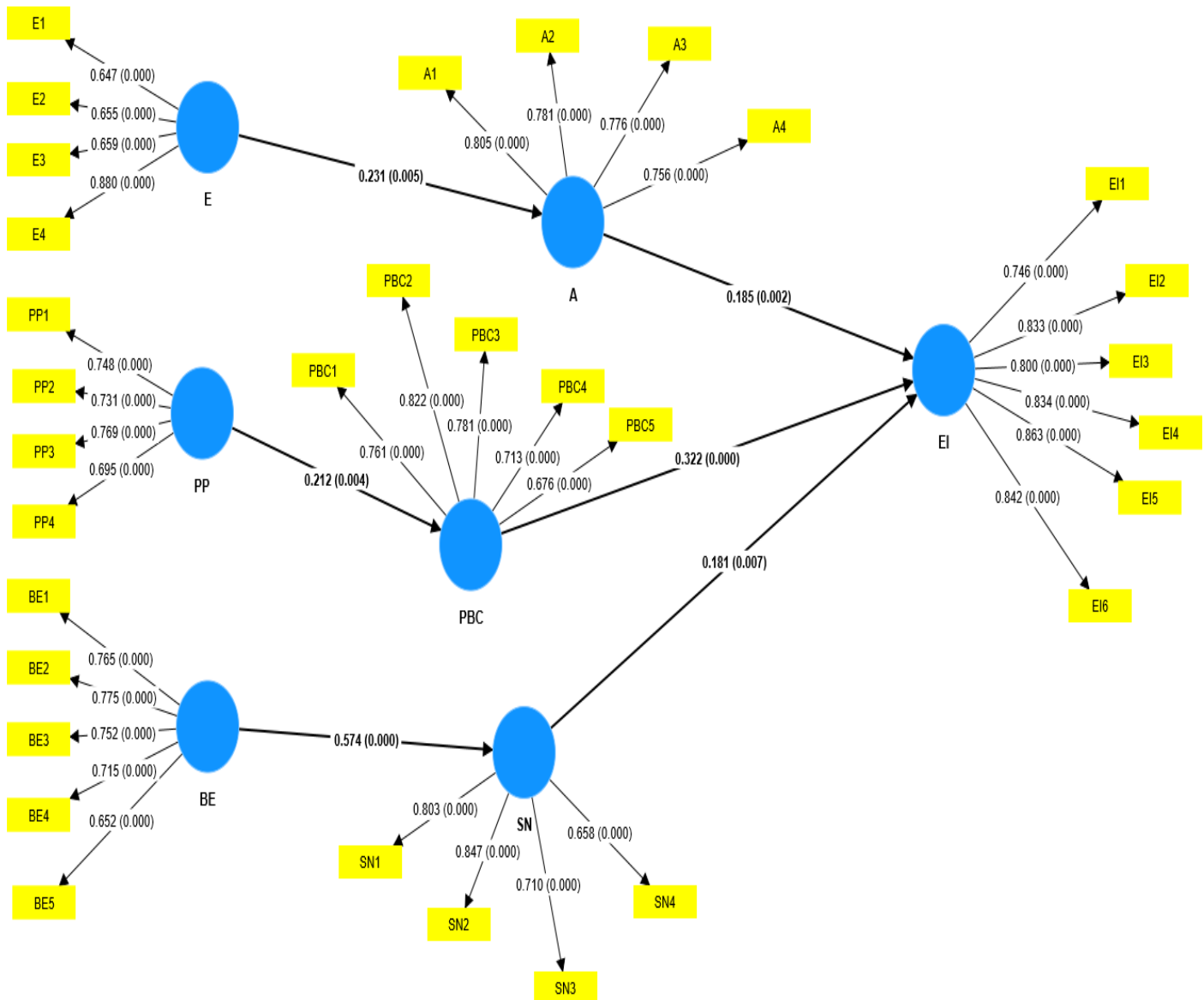


Figure 5 The Final Model

Figure 5 shows the Beta Coefficient and P-value between independent variables, i.e., attitude, perceived behavioural control, subjective norms, education, public policy and business environment. It can be observed from figure 3 that value of R^2 is 0.294 which means that attitude, perceived behavioural control, subjective norms, education, public policy and business environment collectively explain 29.5 per cent of the variance in entrepreneurial intentions. The remaining variance can be explained by other variables which are not included in this study

Table 23 SMART PLS-SEM Hypothesis Testing

Hypothesis	Beta Coefficient	STDEV	T statistics	P values	Status
H ₁ : A->EI	0.185	0.060	3.105	0.002	Supported
H ₂ : PBC -> EI	0.322	0.068	4.774	0.000	Supported
H ₃ : SN -> EI	0.181	0.067	2.686	0.007	Supported
H ₄ : E -> A	0.231	0.082	2.824	0.005	Supported
H ₅ : PP -> PBC	0.212	0.073	2.903	0.004	Supported
H ₆ : BE -> SN	0.574	0.052	11.057	0.000	Supported

Note, P= Probability Value *Relationships are significant at $P < 0.001$, E: Education, PP: Public Policy, BE Business Environment, A: Attitude, PBC: Perceived Behavioural Control, SN: Subjective Norms, EI: Entrepreneurial Intentions.

The data presented in Table 23 the relationship between variables. The sample data has been used to compute the beta coefficient, standard deviation, t-statistics and p-values for each hypothesis. The t-statistic measures the difference between the sample mean and the null hypothesis in units of the sample standard error. It represents the number of standard deviations that the sample mean is away from the null hypothesis. The p-value is the probability of obtaining a t-statistic as extreme or more extreme than the observed value, assuming that the null hypothesis is true.

- H₁: A positive relationship between students' attitudes and entrepreneurial intention to become entrepreneurs. The results revealed that attitude (A) has a significant and positive impact on entrepreneurial intentions (B= .185, t= 3.105, p= 0.002). Hence, H₁ was supported.
- H₂: A positive relationship between students' perceived behavioural control and entrepreneurial intention to become entrepreneurs. The results revealed that perceived behavioural control (PBC) has a significant and positive impact on entrepreneurial intentions (EI) (B= .332, t= 4.774, p = 0.000). Hence, H₂ was supported.
- H₃: A positive relationship between subjective norms and students' intention to become an entrepreneur. The results revealed that subjective norms(SN) have a significant and positive impact on entrepreneurial intentions (EI) (B= .181, t= 2.686, p = 0.007). Hence, H₃ was supported.

- H₄: Education (in the area of entrepreneurship) positively influences students' attitudes. The results revealed that education has a significant and positive impact on students' attitudes (B= .231, t= 2.824, p = 0.005). Hence, H₃ was supported.
- H₅: Public policy positively influences students' perceived behavioural control. The results revealed that public policy has a significant and positive impact on students' perceived behavioural control (B= .212, t= 2.903, p = 0.004). Hence, H₅ was supported.
- H₆: The business environment positively influences students' subjective norms. The results revealed that public policy has a significant and positive impact on students' perceived behavioural control (B= .574, t= 11.057, p = 0.000). Hence, H₆ was supported

In summary, all six hypotheses are supported by the data, and we can conclude that there are significant positive relationships between the variables in each hypothesis.

4.9 Major Findings

The major findings of the topic “Contextual factors, Individual psychological attributes and entrepreneurial intentions among the management students of Nepal.

- The descriptive statistics average mean values of Attitude is 4.205, Perceived Behavioural control is 3.492, Subjective Norms are 3.923, Education is 3.803, Public policy is 4.092, and Business environment is 4.096 This implies that the high mean values of Public Policy and Business Environment suggest that these external factors play an important role in shaping students' attitudes and behaviours towards entrepreneurship, while the lower mean values for attitude, perceived behavioural control, and subjective norms may indicate the need for interventions to improve these individual psychological attributes among management students in Nepalese universities.
- The descriptive statistics average standard deviation values of Attitude is .65816, Perceived Behavioural control is .76377, Subjective Norm is .71137, Education is .72727, Public policy is .65172, and Business environment is .62873. This implies that there may be less variation in the attitudes, perceived behavioural control, subjective norms, education, public policy, and business environment among management students at Nepalese universities when it comes to their pursuit of an entrepreneurial career.

- iii. Descriptive Statistics Overall Entrepreneurial Intention average mean value is 3.8078 and the average standard deviation of .81894. This implies that, on average, management students in Nepalese universities have a moderate level of intention to pursue an entrepreneurial career and there is some variability in the level of Entrepreneurial Intention among the management students, with some students having a higher level of intention and others having a lower level of intention. This variability may be due to the impact of contextual factors and individual psychological attributes.
- iv. The Pearson's Correlation Coefficient values of Entrepreneurial Intention with attitude perceived behavioural control, and subjective norms are 0.375, 0.476, and 0.394 respectively. Pearson's correlation coefficient values indicate that attitude, perceived behavioural control, and subjective norms are positively related to entrepreneurial intention. These findings highlight the importance of these factors in predicting and promoting entrepreneurship.
- v. The individual psychological attributes of Attitude, Subjective norms and Perceived behavioural control are positively correlated with each other, indicating that a positive attitude towards entrepreneurship is associated with higher levels of perceived behavioural control and favourable subjective norms. Additionally, entrepreneurial education is positively correlated with public policy and the business environment, suggesting that better education in entrepreneurship is associated with a more favourable personal preference towards entrepreneurship and a better business environment. Finally, public policy is positively correlated with the business environment, indicating that a more favourable personal preference towards entrepreneurship is associated with a better business environment. These findings suggest that fostering positive attitudes towards entrepreneurship, improving entrepreneurial education, and creating a supportive business environment and public policies can contribute to the promotion of entrepreneurship.
- vi. There is a significant positive relationship between the variable attitude and entrepreneurial intentions.
- vii. There is a significant positive relationship between the variable perceived behavioural control and entrepreneurial intentions.
- viii. There is a significant positive relationship between variable subjective norms and entrepreneurial intentions.
- ix. There is a significant positive relationship between the variable education and attitude.

- x. There is a significant positive relationship between variable public policy and perceived behavioural control.
- xi. There is a significant positive relationship between variable business environments and subjective norms.

4.10 Discussion:

The purpose of this research study was to investigate contextual factors and individual psychological attributes that influence entrepreneurial intentions among management students of Nepalese universities. Particularly this research study is to determine the status and relationship between contextual factors and individual psychological attributes with entrepreneurial intentions among management students of Nepalese universities. The results from data analysis are in-congruent with previous research and serve the objectives of the study. This research study has determined the status and relationship between contextual factors and individual psychological attributes with entrepreneurial intentions among management students of Nepalese universities. The research study reviewed conceptual review, theoretical review, review of related studies, research gap etc. to explore the entrepreneurial intentions.

Tkachev and Kolvereid (1999) described entrepreneurship as the tendency or inclination to initiate and operate a business on one's own. It can also be understood as an individual's mindset or attitude towards starting a new enterprise. This definition aligns with Lopez-Panisello's (2013) explanation of entrepreneurship as an individual's intention to create a new business. The term "entrepreneurship" comes from the French word "Entreprendre," meaning "to undertake," and was first coined by Richard Cantillon in 1730. There is some disagreement over the definition of entrepreneurship, but much of the research has focused on its economic impact and associated risks and benefits. Cantillon described entrepreneurs as individuals who invest a known sum of money without knowing what the return will be, and self-employment was one of the earliest definitions. According to Drucker, entrepreneurship involves creating new businesses, and anyone who succeeds in doing so is an entrepreneur. The Global Entrepreneurs Monitor defines entrepreneurship as creating a new business, expanding an existing one, establishing a new business organization, or operating an established business (Taylor & Todd, 1995).

Understanding and being able to predict the formulation of entrepreneurial intentions becomes an important issue. The study presents a synthesis of research on the determinants of the intention to start a business among management students of Nepalese universities.

Several categories of these determinants have been identified. Research results show that Polish students' contextual factors and personal factors vis-à-vis attitudes and perceived behavioural control influence the process of creating entrepreneurial intentions but did not confirm the importance of subjective norms as directly explaining entrepreneurial intentions (Kobylinska, 2022). However, this study in the context of the management students of Nepalese universities shows that all individual psychological attributes (attitude, perceived behavioural control and subjective norms) and contextual factors (education, public policy and business environment) influence the process of creating entrepreneurial intentions of the students.

The findings of this study suggest that both contextual factors and individual psychological attributes play a significant role in shaping the entrepreneurial intentions of management students in Nepalese universities. The results showed that contextual factors such as social norms, entrepreneurial education, and family support had a positive effect on the entrepreneurial intentions of the students. This is consistent with the Theory of Planned Behavior (TPB), which suggests that social norms and subjective norms influence individuals' attitudes and behaviour (Ajzen, 1991). The results of our study also supported the notion that entrepreneurial education is an important contextual factor that can positively influence entrepreneurial intentions (Liñán & Chen, 2009).

Individual psychological attributes vis-à-vis attitudes perceived behavioural control and subjective norms were also found to have a significant impact on the entrepreneurial intentions of the management students. These findings are consistent with the Entrepreneurial Event Model (EEM), which suggests that individual psychological attributes play a key role in the decision-making process that leads to entrepreneurial intentions (Autio et al., 2001).

Overall, the findings of this study provide valuable insights into the factors that influence the entrepreneurial intentions of management students in Nepalese universities. The study highlights the importance of both contextual factors and individual psychological attributes in shaping entrepreneurial intentions and suggests that interventions aimed at fostering entrepreneurship should take a holistic approach that considers the complex interplay between these factors.

CHAPTER V

Summary and Conclusions

5.1 Summary

This study aims to analyse the influence of contextual factors and individual psychological attributes variables on entrepreneurial intentions among the management students of Nepalese universities. In this context, the other specific objectives of the study are to identify the status of Contextual factors vis-à-vis education, public policy and the business environment in Nepal and also the status of Individual psychological attributes vis-à-vis attitudes, perceived behavioural control and subjective norms among management students of Nepalese universities, to examine the relationship between Contextual factors and Individual psychological attributes; Entrepreneurial intentions and individual psychological attributes among management students of Nepalese universities.

The methodology of study used a causal quantitative methodology called structural equation modelling (SEM) and a combination of descriptive and analytical research design. The sample was 300 students from three different universities namely Tribhuvan University, Kathmandu University and Pokhara University. Data were collected randomly through a survey and used the questionnaire method in the classroom. The dependent variables were contextual variables and individual psychological attributes and the independent variable is entrepreneurial intention. The research tools used for the analysis were SPSS 26 and SMART-PLS 4.

The finding shows that contextual factors vis-à-vis education, public policy and business environment positively influence students' psychological attributes vis-à-vis attitudes, perceived behavioural control and subjective norms. The individual psychological attributes vis-à-vis attitudes, subjective norms and perceived behavioural control positively influence entrepreneurial intentions among the management students of Nepalese universities.

5.2 Conclusion

In conclusion, this study has provided important insights into the contextual factors and Individual Psychological attributes that influence entrepreneurial intentions and the creation of businesses in Nepal. The findings suggest that the education system, public policies, and the business environment play crucial roles in shaping individuals' attitudes towards entrepreneurship and the ability to start and grow a business.

The study's findings reveal that the entrepreneurial intentions of Nepalese management students are primarily explained by their perceived control, which is significantly influenced by public policy. It is worth noting that external support may only become relevant during the actual implementation of entrepreneurial actions, as suggested (Brixy & Hessels, 2013). To improve their chances of success, individuals may then begin to seek out external support. These results have significant implications for academia and education sector managers. Firstly, the study adds to the existing literature on the entrepreneurial intention by incorporating both individual and contextual factors, highlighting the importance of attitude and its relationship with education within the TPB models. Secondly, the model proposes that public authorities can indirectly improve students' intentions by increasing their perceived control and that the best way for university managers to promote entrepreneurial activity is by creating conditions that foster an entrepreneurial attitude among their students

Additionally, entrepreneurship promotion programs run by universities should focus on developing the attitude of potential entrepreneurs, emphasizing that despite the challenges involved in starting a business, entrepreneurship can be an exciting alternative. Despite the study's comprehensive design, it is not without limitations, including the common issue of self-selection bias, where individuals with a prior interest in entrepreneurship may be more likely to participate. The findings suggest that entrepreneurial intentions are influenced by a combination of individual attitudes, external factors such as the business environment and public policy, and social factors such as subjective norms. Policymakers and program developers should consider these factors when promoting entrepreneurship. Overall, this study provides a starting point for future research on entrepreneurship in Nepal and highlights the need for further research to explore these contextual factors in more depth

5.3 Implications

This study analyses the influence of contextual factors and individual psychological attributes variables on entrepreneurial intentions among the management students of Nepalese universities. Based on the findings and conclusions reached, the following implications are forwarded:

5.3.1 Implications for Managers

This study has great implications for the unique contextual factors and individual psychological attributes that play a critical role in shaping the entrepreneurial intentions of Nepalese management students. As such, managers should recognize the importance of

considering these factors when designing programs and interventions aimed at promoting entrepreneurship among this group. The study highlights the significance of skills, knowledge, creativity, and competency in enabling management students to take calculated risks related to new business ventures. Therefore, there is a need to focus on providing skill development classes that equip students with the necessary tools to succeed as entrepreneurs. Additionally, managers could develop targeted management programs that cater to the specific needs and characteristics of Nepalese management students, taking into account their cultural and social backgrounds. By doing so, managers can increase the likelihood of promoting entrepreneurship among management students and facilitate the development of a more dynamic and innovative business landscape in Nepal.

5.3.2 Implications for Policy Maker

The study has great implications for the need for policymakers in Nepal to prioritize the promotion of entrepreneurship as a key driver of economic growth and development. To achieve this goal, the government should develop policies that create an enabling environment for entrepreneurs, including measures that reduce regulatory barriers, streamline bureaucratic procedures, and facilitate access to finance and markets. Additionally, there is a need to reform the education system to offer practical training on entrepreneurship, equipping students with the skills and knowledge needed to start and grow successful businesses. By doing so, students will be better prepared to navigate the challenges of entrepreneurship and capitalize on opportunities in the market. Moreover, the private sector should play a more active role in creating a conducive business environment by providing mentorship, networking opportunities, and financial support to entrepreneurs. In summary, by creating a supportive public policy and business environment that fosters entrepreneurship among students, the government of Nepal can potentially stimulate a thriving entrepreneurial ecosystem in the country, driving economic growth and creating employment opportunities for its citizens.

5.3.3 Implications for Future Researchers

The study has great implications for significant contributions to the literature on entrepreneurial intentions by including both individual and contextual factors within the TPB model in an academic context. The study highlights the critical role of the attitude variable and its connection with the education variable, underscoring the importance of considering both factors in understanding and predicting entrepreneurial intentions. This study contributes to the literature by defining and identifying the importance of individual

and contextual factors influencing entrepreneurial intentions among students. It differs from other studies in the literature, as it includes 3 groups of contextual variables indirectly influencing EI and reinforcing individual factors.

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Appendices

Appendix A:

Master’s Dissertation Questionnaire Research: Contextual Factors, Individual Psychological Attributes and Entrepreneurial Intentions Among Management Students of Nepal

Dear Respondent,

My name is Raju Acharya and I am currently studying for a Master’s in Business Management at Tribhuvan University. I am conducting research into management students’ opinions on the topic of “Contextual Factors, Individual Psychological Attributes and Entrepreneurial Intentions Among Management Students of Nepal”. The questionnaire consists of 5 questions and will take no longer than 10 minutes to complete. All responses will be kept anonymous and no one will be identifiable in the research.

A. DEMOGRAPHIC BACKGROUND:

1. Name of the respondent (optional) _____

2. Gender

Male

Female

3. Age

Below 25

25-30

Above 30

4. Name of the University

Tribhuvan University

Kathmandu University

Pokhara University

5. Please tick the box provided a statement to show your opinion to be part of the research

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

B. INDIVIDUAL PSYCHOLOGICAL ATTRIBUTES

B-1. ATTITUDE(A)

STATEMENT	1	2	3	4	5
A1 I am a supporter of entrepreneurship.	6	7	27	108	152
A2 Entrepreneurship has a positive impact on the social and economic development of the country.	3	6	26	120	145
A3 Entrepreneurship is a value in itself.	6	8	45	127	114
A4 I regard entrepreneurship as a value.	7	11	48	145	89

B-2. PERCEIVED BEHAVIORAL CONTROL (PBC)

STATEMENT	1	2	3	4	5
PBC1 I know the necessary practical details to start a firm.	7	24	81	127	61
PBC2 I know how to develop an entrepreneurial project.	7	37	102	123	31
PBC3 I can control the creation process of a new firm.	9	31	112	98	50
PBC4 I am prepared to start a viable firm.	8	60	98	95	39
PBC5 If I tried to start a firm, I would have a high probability of succeeding.	11	19	101	104	65

B-3. SUBJECTIVE NORMS (SN)

STATEMENT	1	2	3	4	5
SN1 My friends would approve of my decision to start a business.	7	24	57	143	69
SN2 My colleagues would approve of my decision to start a business.	9	16	70	138	67
SN3 My immediate family would approve of my decision to start a business.	8	17	66	121	88
SN4 I need to be internally motivated (e.g. a desire for a professional career, and the need for continuous learning).	2	11	38	113	136

C. CONTEXTUAL FACTORS

C-1. BUSINESS ENVIRONMENT (BE)

STATEMENT		1	2	3	4	5
BE1	To create a company, the possibilities and assistance of the entrepreneurial environment are necessary.	2	15	25	151	107
BE2	To create a company, it is necessary (e) the appropriate technological development of the country.	7	8	32	142	111
BE3	To create a company, it is necessary to innovate and develop entrepreneurship in the country.	4	14	44	139	99
BE4	A good supply/demand ratio is necessary to form a business.	4	8	30	138	120
BE5	Government subsidies are required to form a business.	5	12	59	147	77

C-2. PUBLIC POLICY (PP)

STATEMENT		1	2	3	4	5
PP1	To create a company, it is necessary to have an appropriate tax policy for the state.	4	11	36	122	127
PP2	A good economic situation in the country is necessary to create a company.	3	10	49	125	113
PP3	A government policy that favours entrepreneurship is necessary to create a business.	4	12	53	121	110
PP4	To set up a company, the country must be in a good financial position.	7	17	53	133	90

C-3. EDUCATION (E)

STATEMENT		1	2	3	4	5
E1	Additional entrepreneurship training after graduation is required to form a company.	10	11	50	146	83
E2	To create a company, it is necessary to study entrepreneurship at university.	18	32	79	103	68
E3	My university gives good education and training to develop entrepreneurial potential.	17	25	63	120	75
E4	Knowledge about the entrepreneurial environment.	6	9	65	140	80

D. ENTREPRENEURIAL INTENTIONS (EI)

STATEMENT		1	2	3	4	5
EI1	I am determined to create a firm in the future.	10	13	61	131	85
EI2	My professional goal is to become an entrepreneur.	10	11	79	115	85
EI3	I am ready to do anything to be an entrepreneur.	13	26	84	114	63
EI4	I intend to create a company in the future.	8	18	80	118	76
EI5	I have very seriously thought of starting a business.	10	21	65	118	86
EI6	I have the firm intention to start a firm someday.	7	18	70	119	86

Thank you for taking part in my research.

If there's anything else you'd like to share with me, feel free to contact me via below e-mail address

Best regards,

Raju Acharya

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MBM 5th Batch

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