

**Gordon Institute  
of Business Science**  
University of Pretoria

**Impediments affecting entrepreneurial intent in South African  
MBA graduates**

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**A research project submitted to the Gordon Institute of  
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the requirements for the degree of Master of Business  
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## **ABSTRACT**

South Africa suffers from high rates of unemployment, low economic growth and has experienced a drop in entrepreneurial intention. Research has established that entrepreneurship plays a vital role in stimulating economic growth and creating employment. Therefore, a better understanding is required around the factors preventing individuals from taking the proverbial leap into entrepreneurship.

The purpose of this study was to assess the extent to which situational, environmental and psychological factors impeded entrepreneurial intent. This was tested amongst a group of well-educated MBA graduates through the use of face-to-face, semi-structured interviews to probe emerging perceptions around entrepreneurial intention.

The findings from the research identified that the assumption behind MBA graduates being the ideal demographic to become entrepreneurs within South African was incorrect. The three key findings that impede MBA graduate's entrepreneurial intent was the high risk profiles of MBA graduates, socio-economic factors of the country relating to highly-skilled MBA graduates, and the potential entrepreneur's locus of control and propensity to act on entrepreneurial behaviour.

**Keywords:** Entrepreneurial intent, Impediments, South Africa, MBA Graduates

## **DECLARATION**

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Name: TL Robinson

Signature:

Date: 7 November 2016

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## LIST OF ACRONYMS AND ABBREVIATIONS

GEM:	Global Entrepreneurship Monitor Report
LOC:	Locus of Control
MBA:	Master of Business Administration
TPB:	Theory of Planned Behaviour



# 1. CHAPTER 1: DEFINITION OF PROBLEM AND PURPOSE

## 1.1. Background to the research problem

South Africa suffers from high unemployment rates and low economic growth. Research has established that entrepreneurship plays a vital role in stimulating economic growth and creating employment (Carree & Thurik, 2010; Kelley, Singer, & Herrington, 2015). Therefore, if the importance of starting new businesses is well understood, what is preventing individuals in South Africa from leaping into entrepreneurship? Research has identified many factors that impede entrepreneurial intention such as lack of business knowledge, entrepreneurial education, and access to finance (Smith & Beasley, 2011). These factors affect most of South Africa's population from becoming entrepreneurs, however, on closer scrutiny, Master of Business Administration (MBA) graduates are not affected by these factors. If anything, they are better positioned than most to take advantage of their circumstances and to become entrepreneurs; MBA graduates generally have the necessary business knowledge, the business networks and contacts, the relevant education and easier access to finance. Furthermore, their risk of failure is inherently lower as they would be able to access jobs at shorter notice in the event that their venture fails (Davidsson & Honig, 2003). Yet, it would seem that there are other unique factors hindering their transformation into entrepreneurs which warrants further investigation.

The Global Entrepreneurship Monitor (GEM) Report 2015/16 categorises South Africa under the efficiency-driven economies which identifies countries that focus their growth on the development of efficient production processes (i.e. economies of scale). South Africa is ranked 38th out of 60 countries participating in the GEM survey. South Africa is ranked 44<sup>th</sup> out of 60 for entrepreneurship intentions and 57th out of 60 for the desire of corporate employees to break out into their own businesses (Furlonger, 2016; Kelley et al., 2015)

Within the GEM report it evaluates individual self-perceptions by determining whether individuals see opportunities around them, whether the individuals seeing opportunities feel restricted by fear of failure, whether they believe they have the capabilities required to start a business and whether they intend to do so. The report showed that efficiency-driven economies (such as South Africa) had lower levels of perceived opportunities and perceived capabilities. This is consistent with South Africa ranking 35<sup>th</sup> out of 60 for perceived opportunities and 38<sup>th</sup> out of 60 for perceived capabilities. The entrepreneurial

intentions were measured within the non-entrepreneur population and only 10.9% of South African respondents reported having entrepreneurial intentions. South Africa's intention ranking was the lowest ranking compared to the other African countries identified in this survey whose rankings were between 2 and 17. South Africans were also identified among the most risk-averse when it comes to fear of failure (Furlonger, 2016; Kelley, Singer, & Herrington, 2011; Kelley et al., 2015)

A comparison of South Africa's progress over the last five years can be found in Table 1: Comparison of South African GEM Report Findings for 2011 and 2015. The comparison showed a slight improvement across Perceived opportunities and Perceived capabilities, but what is concerning is that Entrepreneurial Intention has decreased in the last five years

*Table 1: Comparison of South African GEM Report Findings for 2011 and 2015*

Categories from GEM Report	2011	2015	Changes
Entrepreneurial Intention	14.3%	10.9%	↓ In the last 5 years South Africa has seen a decrease of 3.4%
Perceived Opportunities	40.7%	40.9%	↑ In the last 5 years South Africa has seen a slight increase of 0.2%
Perceived Capabilities	42.8%	45.4%	↑ In the last 5 years South Africa has seen a slight increase of 2.6%

## **1.2. Business and Academic Rationale for Research and Purpose**

South Africa has consistently ranked poorly on the GEM report regarding entrepreneurial intent. South Africa is therefore not generating a suitably entrepreneurial economy which is required to develop markets, create employment, increase production and revive communities (Luiz & Mariotti, 2011). Several programmes strive to give potential entrepreneurs the skills they need to start businesses. However, amongst those individuals who choose to do an MBA in entrepreneurship, only around 25% go on to start businesses, with the rest heading into corporate organisations. This is due to these organisations seeing the value of trained entrepreneurs, and what they can offer to the corporate world.” (BizNews.com, 2014).

The research motivation is clear; in a country that is plagued by high unemployment and has experienced a drop in entrepreneurial intention, a better understanding is required around the factors preventing MBA graduates from starting their own businesses. The future of the economy’s growth will rely on small companies starting and growing their businesses. However, if these companies never start due to negative perceptions of business opportunities, own capabilities, and a fear of failure, a serious issue exists within our country.

Jain & Ali, 2013 stated that future studies should consider if “psychological barriers to entrepreneurship included fear of failure, risk aversion attitude, and feeling of lacking relevant expertise and experience.”

The objective of this study is to assess the extent to which factors identified in the literature review impede entrepreneurial intent, and whether individual perceptions, fear of failure, an attitude of risk aversion and a feeling of lacking relevant expertise and experience, are identified as the critical impeding factors. This will be tested amongst a group of well-educated MBA graduates through the use of semi-structured interviews.

## **2. CHAPTER 2: LITERATURE REVIEW**

### **2.1 Introduction**

Literature on entrepreneurial intention began over 30 years ago with the publication of Shapiro's seminal works in 1982 and 1984. Other key contributors were Bird in 1988 who investigated the intention approach, and Gartner in 1985 and 1989 and Shaver & Scott in 1991 who shifted the literature to a process view of entrepreneurship (Fayolle & Liñán, 2014).

Entrepreneurship intention has been widely researched, and it has been proven that intention to start a business is central to entrepreneurship (Carsrud & Brännback, 2011). Although there is an established body of knowledge on entrepreneurship intention, one of the key challenges in the literature is an agreement on the definition. Entrepreneurial intention has been defined as a person's intention to engage in entrepreneurial activity, showing commitment to start a new venture or one's judgement on the likelihood of owning one's own business (Fatoki, 2010; Krueger, 1993). Within this study "entrepreneurship intention" refers to the willingness and commitment to taking a risk and starting and managing a business.

The previous chapter introduced the theme of impediments affecting entrepreneurship intent. It outlined the relevance of this subject for South Africa as well as the academic motivation for this study. This chapter will review the theory base and literature regarding impediments affecting entrepreneurship intent. The factors identified have been split into three categories; environmental, situational and psychological. This study sets out to define a single framework to facilitate a systematic understanding of the factors that impede entrepreneurship intent. Table 2.1 summarises the literature reviewed.

## 2.2 Situational Factors

Situational factors are factors that are directly related to an individual. The decision to start a business is often influenced by the people around the individual, the support they have, the knowledge and skills they possess and their financial well-being. This section looks at identifying how these situational factors influence a person's decision to start a business. This section looks at identifying how role models, knowledge and skill, support, and access to finance influences a person's decision to start a business.

### 2.2.1. Role Model

According to Ahmed et al. (2010) demographical characteristics such as family exposure to business, and that level of exposure had a positive impact on students becoming entrepreneurs. This is due to the fact that people are influenced by role models in their circle of friends and family. Self-efficacy is impacted through a process of social comparison, as individuals judge their own capabilities by comparing themselves to others. Role models are therefore important, as individuals learn through observation and are more likely to adopt a behaviour based on observation of family members or close friends (Boyd & Vozikis, 1994).

Individuals with a family background in entrepreneurship are more likely to become entrepreneurs (Arenius & Minniti, 2005). Liñán, Santos, & Fernández (2011) argue that individual perceptions regarding role models and self-efficacy are the most important precursors of entrepreneurial intentions. Role models act as mentors, inspire confidence and help individuals develop their entrepreneurial identity (Laviolette & Radu, 2008).

Several studies have found that a role model is one of the most important factors impacting on an individual's entrepreneurial intention. Garo, Kume, & Basho (2015) are in agreement, as their results found that students who were exposed to an entrepreneurial role model within their families displayed higher entrepreneurial intent when compared to those who did not have a role model. Therefore, a positive correlation exists between students exposed to an entrepreneurial role model within their family, and entrepreneurial intent.

### 2.2.2. Knowledge and Skills

Knowledge and skills are seen as resources that stimulate creativity and the ability to identify new opportunities. For this reason, studies have highlighted that individual skill or prior knowledge can significantly influence intentions to start a business. Knowledge can be obtained by prior experience, education or through training, formal or informal

(Arrighetti, Caricati, Landini, Monacelli, & others, 2013). Lans, Gulikers, & Batterink, (2010) and Ayyagari, Demirguc-Kunt, & Maksimovic (2014) similarly found that work experience had a positive relationship between work experience and attitudes towards entrepreneurship.

Farrington, Venter, & Louw (2012) investigated the influence of demographic factors on the entrepreneurial intentions of undergraduate business students in South Africa. The results of the study identified that University attended, and the level of study had a significant influence on the intentions of respondents to start their own businesses.

To meet the demand for better education, South African business schools offer MBA courses. These institutions offer social mobility to historically privileged and newly privileged socio-economic groups and will prepare graduates to be employable to meet demands of high-skilled occupations specifically in business and management (Kruss, 2004). The perception of MBA graduates are that they are the corporate elite in the field of management education. The need for business leadership in South Africa and the drive for globalisation has put pressures on business to find competent people and is the reason for the high demand for MBA graduates (Opoku, Abratt, & Pitt, 2006).

Several studies have argued that there is a significant variance between students who have been exposed to entrepreneurship education and their level of intention, and those who have not (Ahmed et al., 2010; Fayolle & Liñán, 2014; Küttim, Kallaste, Venesaar, & Kiis, 2014; Martin, McNally, & Kay, 2013).

Research has identified that formal education could impact negatively on a persons' entrepreneurial intent, by causing reduced long term vision, reduced curiosity and an increase in risk aversion. Researchers argue that traditional education decreases tolerance for ambiguity, and leads to conformity that hampers students' entrepreneurial intentions and creative thinking abilities. It is advised that universities and business schools revise their learning and teaching methods and curricula in order to encourage critical and innovative thinking. Therefore some findings have indicated that formal education impedes entrepreneurial intention, as educating students about the realities of entrepreneurship may increase their entrepreneurial self-efficacy, but it also decreases the perceived desirability of starting a business (Gurel, Altinay, & Daniele, 2010).

### 2.2.3. Support

Ajzen (1991) penned the theory of planned behaviour (TPB), which identified that social norms referring to the perceived approval and social pressures from friends and family for an individual to perform behaviours, such as starting a business, also influences their entrepreneurial intent. These social pressures can be an impediment to entrepreneurial intention, because they establish which occupations are accepted and respected and which are not.

Therefore support is critical in increasing entrepreneurial intent, and there are many forms of support noted. These include networks, mentorship, moral support and social support. Network support refers to organizations like entrepreneurial communities, specific industry associations, alumni associations, suppliers, and online social networking sites like Facebook or LinkedIn. Support can be provided through cultivating relationships with mentors and coaches, or through receiving moral support from family, friends and their surrounding communities. Social support can be provided through media exposure, awards, acceptance from the community when a venture fails, or through the entrepreneur earning the respect of the community (Arrighetti et al., 2013; Mason & Brown, 2014; Suresh & Ramraj, 2012).

### 2.2.4. Access to Finance

Insufficient access to finance is considered to be a significant factor that impedes entrepreneurship intent, as capital plays a vital part in business formation (Ayyagari et al., 2014). The ability to source finance is a critical step in the formation of a business, as most business will require seed capital, or capital at a later stage when it needs to grow and expand (Acs & Szerb, 2007). Access to finance can be obtained from banks, family and friends, venture capitalists, investors (small, large, formal, informal, domestic or foreign), credit from suppliers or government institutions, to name a few (Suresh & Ramraj, 2012).

Zacharakis, Erikson, & George (2010) research investigated the conflicting relationship between entrepreneurs and investors, and found that there was an unequal balance of power between the two parties. Investors were inclined to enforce contracts that gave the investors the power to stipulate the value of the business, enforce shareholding structure and board representation and impose restrictions on the entrepreneur.

Individuals who have entrepreneurship intent have identified that the lack of access to finance is due to them not having the knowledge of financing alternatives, government

funding taking too long, investors or venture capitalists being too risk averse, or more formal establishments not considering an individual without sufficient collateral (Seghers, Manigart, & Vanacker, 2012).

## **2.3 Environmental Factors**

The decision to start a new business is based on an individual's personal assessment and expectation, but is also linked to variables that are external to the individual, such as their environment. The decision to setup a business will depend on the opportunities supplied by the economy, the market, available resources, supporting infrastructure and the regulations setup by the institutions which will determine whether an individual will decide to start a business or not. The forthcoming section looks at identifying how the market and economy, institutions & policy, infrastructure, labour and culture influences a person's decision to start a business.

### 2.3.1. Market and Economic Factors

An individual's attitude towards entrepreneurship cannot be measured without considering the characteristics of the economy. An individual gathers this data and processes it into valuable information about the surrounding environment. Examples of this type of information would be competitors' average profitability, expected return on investment, and levels of barriers to entry. This information will either translate into obstacles or advantages and help an individual determine if the environment is favourable or not to start a business. Individuals who are decidedly self-confident are more inclined to perceive the environment as favourable and have an optimistic view about their future which in turn has a positive effect on their entrepreneurial intent (Arrighetti et al., 2013).

Several market characteristics such as strength of competitors, size of the market, barriers to entry, monopolies and the degree of innovation allowed in the market can have a further influence on entrepreneurial intent (Naudé, Gries, Wood, & Meintjies, 2008).

Individuals will look for the opportunities in the market, look for insights or gaps from government and trade associations reports, to help to determine if they have the support of suppliers, and to identify if the customers are loyal, and if their product will be easily accepted (Suresh & Ramraj, 2012).



### 2.3.2. Institutional & Policy Factors

The environment in which an individual wishes to establish their business will significantly influence entrepreneurship intent (Welter & Smallbone, 2011). Regulative, normative and cultural cognitive institutions influence entrepreneurial intentions through an individual's perceptions around the desirability and feasibility of entrepreneurship. Institutions can both constrain and enable entrepreneurship, therefore public policy makers need to be conscious of the less than favourable conditions for entrepreneurship, the institutional pressures and constraints faced by individuals with entrepreneurship intent (Engle, Schlaegel, & Dimitriadi, 2011; Shaw & Urban, 2011; Smallbone & Welter, 2012; Urban, 2013)

Individuals with entrepreneurial intent will look at the impact formal institutions will have on their performance. This is judged by looking at the size of government, the level of activity amongst the public institutions and the perceived level of corruption and effectiveness of these public institutions (Estrin, Korosteleva, & Mickiewicz, 2013).

Regulatory burden and institution performance can impede entrepreneurial intent (Levie & Autio, 2011).

Institution barriers which refers to regulations and lack of explicit support from public and private institutions can be a huge impediment to entrepreneurial intention (Arrighetti et al., 2013).

### 2.3.3. Infrastructure

When a country has poor infrastructure, research argues that it will result in a business dedicating more effort, time and resources to tasks such as obtaining inputs, processing information and taking their products to market. This can undermine the competitiveness of businesses. Poor infrastructure has two dimensions, firstly the unreliability of service providers and secondly the unavailability of a certain service or utilities such as roads, water, electricity etc. (Chaturvedi & Goyal, 2012).

Studies have identified that entrepreneurial intent decreases in environments that lack adequate physical (tangible component i.e. office space, roads, water, housing and traffic) and communication (mobile, broadband and digital networks) infrastructure (Feldman, 2014; Isenberg, 2010; Neck, Meyer, Cohen, & Corbett, 2004, p.204).

Physical infrastructure facilitates entrepreneurs to distribute goods and services, to expand their businesses, while communication infrastructure allows entrepreneurs to create new opportunities (Acs, Desai, & Hessels, 2008; Heger, Veith, & Rinawi, 2011).

#### 2.3.4. Labour

Labour regulations have a major impact on individuals considering starting a business, as entrepreneurs need to determine whether the necessary labour can be organised positively. A country that has strict labour regulations can create rigid labour pools that are difficult for potential entrepreneurs to access. Similarly, if labour regulations make hiring and firing people a time-consuming and costly exercise, it signals to potential entrepreneurs that there are costs to making mistakes during the hiring process. Therefore, it is arguable that strict labour regulations decreases an individual's entrepreneurial intent (Levie & Autio, 2011).

Strict labour regulations become an even bigger problem when individuals require high-skilled labour, where this labour pool would most likely have a good education, a good job and higher perceived status. In a highly regulated labour market, high-skilled individuals may perceive there to be high risk in leaving their currently secure job, as if something went wrong on the new opportunity it may be difficult to get back to a similar job. This may impact a potential entrepreneur's ability to attract resources to commit their time or money to a new venture, or to convince potential employees of the venture's value and prospects. This will result in potential entrepreneurs considering whether a sufficient supply of high-skilled labour is available. Therefore skills shortages can be a strong impediment to entrepreneurship intent (Levie & Autio, 2011).

Throughout the past decade, South Africa has struggled with student attrition in higher education. It has been reported that in the first year of study 30% of students dropped out with a further 20% during their second and third years (Visser, Letseka, Breier, & Cossier, 2015). It is recommended that higher education and entrepreneurship policies be developed in conjunction with one another, as the performance of the entrepreneur is not dependent on their level of education alone but also the level of education of the workforce in the business (Millan, Congregado, Roman, Van Praag, & van Stel, 2014).

#### 2.3.5. Culture

Culture has been identified as having an effect on entrepreneurial intentions, and has been tested in multiple studies in different countries (Engle et al., 2011; Liñán,

Fernández-Serrano, & Romero, 2013; Moriano, Gorgievski, Laguna, Stephan, & Zarafshani, 2011).

Several studies have found a positive relationship between a country's cultural characteristics and its level of entrepreneurship. It is clear that some cultures produce more entrepreneurs than others. This is due to the culture norms and value systems affecting the acceptability and perceived utility of entrepreneurial activity. An individual's understanding is influenced by social context and cultural values - therefore a decision to start a business is influenced by how that individual perceives and interprets their environment (Chaturvedi & Goyal, 2012). Bird (1988) explained that an entrepreneurial intention was the interaction of an individual's 'thinking', which included their past history, their personality and the economic and social environment.

A culture that is inclined towards uncertainty avoidance will have a lower probability of individuals within that culture becoming entrepreneurs. This is because high uncertainty avoidance cultures are instead inclined towards strict organisational structures, experts and highly specialised career paths which is often unsuited to an entrepreneurial environment. An entrepreneurial environment requires general thinking and a tolerance for uncertainty in order to see the developing patterns amid the uncertainty. Therefore, cultures with a tendency towards uncertainty avoidance are expected to not have a tendency towards entrepreneurial intent (Chaturvedi & Goyal, 2012).

## **2.4 Psychological Factors**

Psychological factors come into play when an individual compares perceived benefits of entrepreneurship against the perceived risks and fears. This section looks at identifying how perceived feasibility, perception of risk, fear of failure and appeal of wage employment, influences a person's decision to start a business.

### **2.4.1. Perceived Feasibility and Propensity to Act**

Vroom (1964) expectancy theory argues that an individual will assess alternative behaviours and select the behaviour that results in the most desirable outcome. Therefore, the expected rewards are determined by the individual's perceptions of feasibility using their assessments of their ability and attitudes regarding the risk (Segal, Borgia, & Schoenfeld, 2002).

Ajzen's (1991) theory of planned behaviour (TPB) and Shapero and Sokol (1982) Entrepreneurial Events Theory (EET) both place an emphasis on an individual's own

perceptions. Perceived behavioural control, or perceived feasibility, can also be explained by an individual's perception of ease or difficulty in accomplishing the behaviour. For example the perceived level of difficulty or ease regarding the behaviour of starting a new business will be measured using ones past experience, anticipated obstacles, and actual and perceived personal inadequacies. All these factors whether actual or perceived can impede the individual's entrepreneurial intentions.

It can therefore be concluded that the strength of a person's belief in their capabilities to perform various entrepreneur roles and tasks, has a significant impact on entrepreneurial intent. Therefore, if people focus on raising their self-confidence in their knowledge, skills and ability to execute tasks successfully, they will increase the perception of the opportunity and will have strong intention, which may lead individuals to entrepreneurship rather than seeking employment in organisations (Farrington, Venter, & Neethling, 2012; Kautonen, Van Gelderen, & Tornikoski, 2013; Shaw & Urban, 2011; Thompson, 2009; Van Gelderen et al., 2008).

The concept of self-efficacy was first introduced in 1986 by Bandura and is compatible with perceived behavioural control or perceived feasibility. Entrepreneurial self-efficacy can be defined as an individual's human capital i.e. confidence in their own ability to perform entrepreneurial tasks successfully. It therefore has nothing to do with how many skills a person has at their disposal, but rather the strength of a person's belief in their capabilities to perform various entrepreneurial roles and tasks competently. Therefore self-efficacy measures the feasibility of an opportunity which is influenced by their belief in their skills, the obstacles identified, and the perceived availability of resources needed to start a business (Gasse & Tremblay, 2011).

Entrepreneurial intent is influenced by self-efficacy which can be further defined, as the quest for autonomy, the orientation towards risk and desire for self-fulfilment. (Arrighetti, Caricati, Landini, Monacelli, & others, 2013; Farrington, et al., 2012; Thompson, 2009). Research has found entrepreneurial self-efficacy to be the strongest single predictor of entrepreneurial intentions. Therefore, if people have confidence in their ability to start a business, they will have strong intention which may lead individuals to entrepreneurship rather than seeking employment in organisations (Farrington, et al., 2012).

Research has found that Individuals with higher quantities of human capital have greater self-confidence, allowing them to consider entrepreneurship. Consequently, these individuals may feel that the risks are lower for them, because if their business

opportunity fails, they can easily be re-absorbed by the labour market (Davidsson & Honig, 2003).

Block, Thurik, der Zwan, & Walter (2013) identified that risk-averse individuals consider established businesses to be less risky than start-ups, and are thus more likely to buy an established business rather than to start a business themselves. Individuals are drawn to franchise businesses because of the business package it comes with, which is often seen as simpler than what an individual could develop through his own efforts. The franchise business package includes the franchisor's processes and capability learning, which is transferred to the individual. The individuals drawn to buying a franchise find this learning and information to be invaluable, especially if they have limited or no experience and knowledge in the specific kind of business. The advantages of running a franchise is that it has a proven business concept, ongoing franchise support a recognised trade name and economies of scale (Tuunanen & Hyrsky, 2001).

TPB proposes that the most important factor of action is an individual's intention to complete or not complete an action. Actions are influenced by an individual's belief regarding the expected outcomes of performing the behaviour, and how they assess these outcomes; whether support exists from others to perform the behaviour, the incentive to conform with these expectations, and whether factors that impede or enable behaviour are known including the perceived power of these factors. An individual's willingness to accept a moderate calculated risk would be the best indicator of their propensity to act. Entrepreneurial intentions precede entrepreneurial action, and the measure of willingness is associated with locus of control. (Malebana, 2014).

Locus of Control (LOC) is defined as a fairly stable propensity to see the world in a particular way, and studies have discovered a strong relationship between entrepreneurial intent and LOC. Individuals who have an internal LOC believe that their personal achievement and destiny is a result of their own behaviour and action. These individuals are inclined to be more independent and self-reliant and are more suitable for entrepreneurship. Individuals with external LOC believe that events are not dependent on behaviour and action, but rather are the result of external forces; for instance the power of others, fate or the complexity of the world (Yildirim, 2007).

#### 2.4.2. Perception of Risk

The perceived risk associated with starting a new business has a significant impact on entrepreneurial intention. Individuals that decide to start a new business generally do so not because they have accepted the risks involved, but because they have reduced the perception of risk. This highlights that entrepreneurs tend to assess risk differently to non-entrepreneurs.

Potential entrepreneurs do not perceive the riskiness of starting new ventures with the same intensity. Perception of risk can be defined as the assessment of risk inherent in a situation. Therefore if an individual can reduce the perception of a risk, it can therefore partially explain why some people become entrepreneurs while others do not (Arrighetti et al., 2013).

Studies have identified risk-taking propensity as influencing entrepreneurial intention. This is due to the fact that starting a business involves psychological, financial and social risks, and it is only those who can tolerate risk taking that will usually decide to start a business (Gurel et al., 2010).

An individual's entrepreneurial intent can be impacted negatively by work–family conflict and family role demands. This depends on the number and ages of dependent children, marital status and relative salience of family (Shelton, 2006). Similarly, Dohmen et al. (2011) identified that an individual's willingness to take risks decreases with the number of children they have.

Results of a replication study showed that the importance attached to financial security had an impact on entrepreneurial intention. A preference for financial security is linked to critical risks involved in entrepreneurship, and is the reason for many individuals being put off starting their own business. (Farrington et al., 2012; Van Gelderen et al., 2008).

#### 2.4.3. Fear of Failure

Failure is an outcome that individuals try to avoid. Research around entrepreneurship is most often defined in terms of success and failures, with researchers highlighting the costs of business failure and therefore providing theory around how individuals can avoid failures, and achieve success through effective opportunity identification, selection and performance on entrepreneurial actions and tasks. Fear of failure is an essential part of the entrepreneurial journey and can be defined as an emotional state resulting from the perception of environmental threats.

Individuals experience fear relating to the potential failures of the businesses, whether it be small or large failures. Individuals could have fears around not being paid, losing a client, running out of cash flow, letting themselves down or the fear of not being able to spend enough time with family, friends and loved ones. For these reasons literature has identified fear of failure as a barrier to entrepreneurial intent (Cacciotti & Hayton, 2015).

The degree to which an individual has or has not experienced business failure has a significant impact on whether they find an opportunity attractive (Singh, Corner, & Pavlovich, 2015). Studies have even found that individuals who have experienced failure in the past, were less likely to pursue a business opportunity even if they believed it to be positive (Wood, McKelvie, & Haynie, 2014).

#### 2.4.4. Appeal of Wage Employment

Psychological factors such as perception to risk, personality traits, fear of failure and perceived feasibility have a major impact on an individual's decision to become an entrepreneur, as individuals will compare the expected benefits of entrepreneurship against the expected gains of wage employment (Campbell, 1992).

Early literature on entrepreneurship does not consider part-timers. Petrova (2012) findings revealed that individuals who are entrepreneurs' part-time, are not impacted by financial constraints. Part-time entrepreneurs are individuals who are employed and have a regular wage job however they dedicate the rest of their time to their business or entrepreneurial activities. Studies have found that 80% of individuals who have a start-up also have a regular wage jobs.

Part-time entrepreneurs are also known as hybrid entrepreneurs. These individuals' start a business without quitting their regular job, as they do not feel that they need to put their "guaranteed" wages from paid employment at risk. As less sunk cost commitment is required, these individuals represent a less risky and smaller-scale entry path to entrepreneurship.

A framework known as Real Options Theory looks at how individuals make investments in uncertain and risky environments. The theory explains that the "option" usually refers to a small initial investment which is expected to generate an option, however not an obligation, to invest subsequent larger amounts. Real option theory investing allows the

individual to learn and collect information, which reduces the uncertainty linked to the investment, before they make larger commitments.

Therefore if the information collected results in the option looking positive, additional investments will usually be made. However if the option appears negative this will usually result in the individual halting further investment. This results in no limits to the potential benefits of the business opportunity, but the risk or potential loss is limited to the initial investment, which is valuable in environments that have high uncertainty.

Studies have found that individuals entering the hybrid entrepreneurship view this as the first step along the path to full-time self-employment. Hybrid entrepreneurship helps the individuals to learn about entrepreneurship and reduces the uncertainty around the opportunity before they decide to increase their investment. The uncertainty surrounding the feasibility of the business reduces over time resulting in the business becoming more relevant. Therefore risk aversion influences the process of how an individual will start a business rather than whether they start a business (Raffiee & Feng, 2014).

Corporate entrepreneurship occurs when organisations promote and benefit from entrepreneurial thinking from their employees and managers, to ensure future growth in an uncertain world which is constantly changing. It is therefore important for managers to cultivate a creative and entrepreneurial culture by encouraging corporate entrepreneurial activities, and to develop an ideal work environment through networking, open communication, support from human resource practices and flexibility (Van Wyk & Adonisi, 2012).

Individuals can behave entrepreneurially as employees within a corporate environment and has become known as an 'intrapreneur' (Douglas & Fitzsimmons, 2013). There exists a positive relationship between job satisfaction and corporate entrepreneurship. Job satisfaction is the degree to which an individual's expectations of the job aligns to the actual job experience, and results in a positive emotional state. The individual's positive attitude and performance has an effect on the well-being of the organisation (Van Wyk & Adonisi, 2012).

Studies have found that individuals are drawn to intrapreneurship as they usually display a lower risk tolerance, are motivated by the share of profits or bonus they expect to receive for successful work or projects performed, and the perceived flexibility in their work orientation. The flexibility work orientation is attractive as it often allows individuals



to self-organise themselves at work, to have a self-directed career path and self-directed learning activities (Douglas & Fitzsimmons, 2013).

Corporates who employ entrepreneurial employees need to understand that hiring individuals with strong entrepreneurial intentions may not be the best strategy, as they may start a business on the side and therefore their time is split between the two or they might not stay long in the corporate environment as they will leave to become self-employed. (Douglas & Fitzsimmons, 2013)

## **2.5 Summary**

Up until 1985, research predominantly focused on internal or psychological factors being a significant influence on an individual's intent on becoming an entrepreneur. However, increasing research has emerged providing evidence that external or environmental factors also influence an individual's entrepreneurial intent (Suresh & Ramraj, 2012). This paper attempts to identify the environmental, situational and psychological factors that impede entrepreneurial intent.

### **3. CHAPTER 3: RESEARCH QUESTIONS / HYPOTHESIS**

#### **3.1. Research questions**

Following the literature review on entrepreneurial intention, this chapter serves to define the research questions that this study wishes to answer.

The following questions will be answered in the research paper.

1. What are the situational factors that impede entrepreneurial intent?
2. What are the environment factors that impede entrepreneurial intent?
3. What are the psychological factors that impede entrepreneurial intent?

## 4. CHAPTER 4: RESEARCH METHODOLOGY

### 4.1. Introduction

The objective of this Chapter is to explain the research methodology selected for this study including its context and rationale. The methodology is explained through descriptions of the theoretical framework arising from literature, the research design, the population and sampling, the data collection methods, the data analysis process and the limitations to the research. The stances identified in each category when collectively implemented contribute to an appropriate method by which a relevant contribution can be made within the field of entrepreneurial intention.

### 4.2. Theoretical Framework

The literature review formed the groundwork of this research. Literature revealed a number of factors that impede individuals from starting their own businesses. It is the researchers aim to contribute to the literature by identifying environmental, situational and psychological factors that influence entrepreneurial intent.

The literature identified the below three themes and impeding factors:

- **Situational factors:** factors that are directly related to an individual. The decision to start a business is often influenced by the people around the individual, the support they have, the knowledge and skills they possess and their financial well-being. This section looks at identifying how role models, knowledge and skill, support and access to finance, influences a person's decision to start a business.
- **Environmental Factors:** factors that are external to an individual. The decision to setup a business will depend on the opportunities supplied by the economy, market, available resources, supporting infrastructure and the rules setup by the institutions. Individuals collect and process the environmental information which will translate into obstacles or advantages for the new business. This section looks at identifying how the market and economy, institutions and policy, infrastructure, labour and culture influences a person's decision to start a business.
- **Psychological Factors:** factors that come into play when an individual compares perceived benefits of entrepreneurship against their perceived risks and fears. This section looks at identifying how perceived feasibility and propensity to act, perception of risk, fear of failure and appeal of wage employment influences a person's decision to start a business.

### **4.3. Research Design and methodology**

Of the studies analysed in the literature review, the majority were quantitative. The research aim of these quantitative studies was to establish what quantifiable factors impeded entrepreneurial intent. These factors have come into question based on the researchers own experience. It was observed that the existence of these quantifiable factors do not seem to have the expected impact on all the different classes or sets of society.

An interpretivist epistemology was chosen to direct this research as this epistemology studies the social science behind how human beings understand the environment in which they live (Ellett & Beausang, 2002). This process includes obtaining knowledge through interpreting and understanding unquantifiable data. This research will therefore look at all the participants' perceptions and personal opinions. A qualitative methods is used to retrieve these from the participants, and to prompt them to provide qualitative answers. Qualitative methods and the interpretivist epistemology is used in concurrence to obtain meaning from the qualitative data (Cohen & Crabtree, 2006). This methodology involved exploring characteristics or qualities that cannot be reduced to numerical values, which assisted the author in identifying feelings, thoughts, beliefs perceptions and assumptions. An exploratory approach was adopted as this study seeks to identify new insight into the field of entrepreneurial intent and to analyse it from a different perspective (Saunders & Lewis, 2012) i.e. what is preventing MBA graduates from starting their own businesses.

Face-to-face semi-structured interviews were conducted to probe emerging perceptions around entrepreneurial intention. An interview guide containing key themes and questions was used to guide the semi-structured interviews (refer to Appendix 1: Semi Structured Interview Guide). This allowed for some structure to the interview however, still provided flexibility to allow participants an opportunity to reflect on past experience and provide insight and perspective (Bloomberg & Volpe, 2012).

A pilot phase was performed to assess if the interview guide enabled the participants to sufficiently answer the research questions, to determine if the participants will understand the terminology, to allow the interviewer an opportunity to familiarise themselves with the interview process and questions and to confirm the allocated duration for the interviews.

#### **4.4. Population and Unit of analysis**

According to Saunders & Lewis (2012) the population is the complete set of members from which the sample is taken. The population of this research included all graduates of an MBA programme from a South African business school, specifically those who want to become entrepreneurs but are still full time employees. Therefore this population excludes all international business schools and other non-entrepreneurs with other degrees, who may have entrepreneurial intent.

The population selected can be described as the elite within the country, individuals who ordinarily satisfy all the hallmarks of people who should become entrepreneurs. They have business experience, high-level education (MBA) including exposure to entrepreneurial education, access to finance and networks. The units of analysis are the opinions and choices which explain the decisions of these MBA graduates.

#### **4.5. Sample size and method**

As a qualitative approach is the approach selected, a small sample size was selected (Maxwell, 2012). The researcher conducted interviews with 10 MBA graduates from two South African Business Schools. The two Business Schools were selected from the Financial Times Executive Education - Customised programmes 2016 ranking list. The names of the business schools are, the University of Pretoria, GIBS (ranked 45) and Wits Business School (ranked 68) (Financial Times, 2016).

The sample is not representative of the entire population as non-probability judgemental sampling was used. The researcher identified friends and colleagues who had contacts of MBA graduates from GIBS or Wits and together they used judgement to identify participants that met the criteria of wanting to become an entrepreneur, but who are still a full time employee. Judgement sampling is a method that uses judgement when selecting sample members (Saunders & Lewis, 2012). The sampling was concluded once the researcher received five participants from each Business School.

#### **4.6. Data Collection Method**

Semi-structured interviewing was the primary method of data collection and allowed the participants to clarify statements, build on their responses ensuring rich descriptions and insight (Bloomberg & Volpe, 2012).

The interviews took place over a month and the interview took approximately 60 minutes. An informed consent letter was sent to all participants before the interview session and

a printed letter was also presented to the participant at each interview to sign (refer to Appendix 2: Informed Consent Letter).

All interviews were started by expressing appreciation to the participant for offering up their time to assist with the research. It was important for the interviewer to build a rapport with the participants and explain that there were no wrong answers, that their opinions are important and all answers will be kept confidential. This was done to make them feel relaxed before the interview began. The reason for the interview, method of the interview and expected duration was explained by the interviewer. An interview guide was used to guide the semi-structured interviews and was based on the key themes identified from the literature review. The questions relating to the situation theme was strategically asked first as they were easier questions and allowed the participants to answer questions about themselves allowing them to relax and become more comfortable during the interview. All questions were phrased in a way that got the participants to provide detailed answers, rather than simple 'Yes' or 'No' answers.

All interviews were held face-to-face and required permission from participants in order to record the interview using a voice recorder. The interviews were later transcribed verbatim. To safeguard the information collected, all interview recordings and interview transcripts were uploaded to local backups including a secure cloud storage facility. Within the context of qualitative and exploratory research, the researcher asserts that 10 interviews are an appropriate response rate. The 10 respondents answered all three of the research questions.

#### **4.7. Ethical Considerations**

Ethical clearance approval was received from the GIBS ethical committee before interviews were conducted and data collected (Refer to Appendix 3: Ethics Clearance Letter). Participants were provided with informed consent letter which they signed, to ensure ethical principles were followed. During the analysis and documentation of findings, the data was checked to ensure that individuals remained anonymous.

#### **4.8. Data Analysis**

The interpretive approach was used to identify data that was then categorized according to three key themes: situational, environmental and psychological. Thus, the thematic analysis was the method used to analyse the data. The researcher used existing themes from literature and identified emerging themes. This resulted in both open and closed thematic analysis being used (Joffe, 2012). The themes are identified from the data that

was gathered from the participants in the interview process. The interview questions were designed to probe for the themes inherent to the theoretical framework as well as any themes outside of the framework. The closed themes are therefore the factors in the model that inhibit entrepreneurial intent while the open themes are the new emerging themes.

After data collection, the transcripts were imported into a qualitative research analysis program known as ATLAS.ti. To ensure anonymity of all participants, the names of the participants were not used. The main function of ATLAS.ti is to code the data into the relevant themes. It allows for a mass of documents and information to be categorised according to the discretion of the researcher.

Codes were created and named after the identified categories within the entrepreneurial intention literature review (refer to Appendix 4: Atlas.ti Codes). Relevant codes were then assigned to the transcript data, and additional codes were created as patterns emerged. The analysis of the data was an iterative process through constant refinement and merging of similar themes and patterns. The process of data analysis for this study is therefore both deductive and inductive (Bloomberg & Volpe, 2012; Saunders & Lewis, 2012).

The participant list represented individuals from a broad spectrum of industries and were represented by both large and small organisations. Regarding the results reflected in Chapter 5, the participants were allocated a participant numbers to protect their confidentiality i.e. P1 to P10.

#### **4.9. Research Limitations**

The following limitations of the research design an approach should be considered.

The interviewer has not been formally trained in conducting interviews, and there is a possibility that the interviewer leads the interviewees in a specific direction or does not use the probing techniques effectively to draw out key insights. Bias is introduced through the interaction between the interviewer and the interviewee, therefore interviews are not an impartial instrument for data collection. The final limitation may be that the participants may hesitate to share experiences that negatively reflect on them (Bloomberg & Volpe, 2012; Saunders & Lewis, 2012).

Due to the nature of non-probability samples it cannot be said with certainty to which the sample is representative of the population. The sample selection only considered two local business schools in the Gauteng region, and due to the technique of judgement sampling there was a bias to men, specifically white males. Making their responses more oriented to white male MBA graduates from Gauteng which may be different from those from the rest of South Africa, and of other sexes and races. The sample included seven white males, two black males and one Indian women.

#### **4.10. Reliability and Validity**

Qualitative research is concerned with a specific phenomenon and a specific context, and certainly presents reliability and validity issues (Saunders, M., & Lewis, 2012). For this reason it is important to evaluate the reliability and validity of the data. Therefore to evaluate the trustworthiness of qualitative research the researcher needs to consider credibility, dependability, transferability and conformability (Bradley, 1993; Creswell, 2013; Lincoln & Guba, 1985).

Credibility can be described as the “adequate representation of the constructions of the social world under study” (Bradley, 1993, p. 436). The research report’s credibility has been improved by recording transcribing the interviews to ensure interpretation can be verified against the raw data, triangulating the data across literature and participants. One area that may impact the research credibility is the prior experience of the researcher (Creswell, 2013). The researcher has not been formally trained in conducting interviews and has limited experience in qualitative research. This was mitigated by the researcher practicing through the use of a pilot study.

Dependability and conformability can be described as the degree to which the review has been audited and reviewed by others. As well as considering the degree to which the changing conditions of the phenomena has been accounted for (Bradley, 1993). The researcher ensured that the interviews were conducted over a short period of time, this was done to reduce the impact of any significant environment changes that may affect the individuals’ responses. Document reviews were performed by two individuals to further support the conformability of the research.

Transferability can be described as the degree to which the research findings can be applied in another context (Lincoln & Guba, 1985). A detailed research design and research approach with the corresponding raw data (recordings and transcripts) has



been included in the research report. This will allow other researchers to make judgements about the findings transferability to different contexts.

#### **4.11. Conclusion**

This Chapter outlined the research methodology that was used in this research. A qualitative research approach using face-to-face semi-structured interviews was selected to enable the research questions proposed to be answered.

## **5. RESULTS**

### **5.1. Introduction**

This chapter presents the results and key findings obtained from 10 interviews with individuals who have entrepreneurial intent but are still full time employees, using the data collection process described in Chapter 4.

The format of this chapter will start by describing the participants of the sample that were interviewed as well as the nature and purpose of their current employment to provide context to this study. The results and findings are discussed and set out according to the research questions proposed in Chapter 3.

### **5.2. Profile of Participants and Context**

The sample selected for this research come from privileged backgrounds. They come from middle class families, went to good schools, obtained university degrees and have attended a business school where they obtained an MBA. Analysing this sample within the current South African social economic environment, this group can be referred to as part of the intellectual elite, as they represent a small demographic within the country, are highly skilled, have good corporate jobs, receive good salaries, their basic needs are met, and therefore are in a very comfortable situation. Refer to Table 2: Description of Interview Participants which provides a brief profile of each participant.

*Table 2: Description of Interview Participants*

ID	Participant	Job Title	Company Type	MBA	Age	Married	Children
P1	Interview Participant 1	Head of Sales	Information Technology and Services	GIBS MBA	30	Yes	2
P2	Interview Participant 2	Divisional Manager	Vehicle And Equipment Leasing	GIBS MBA	33	No	None
P3	Interview Participant 3	Client Partner	Online Social Media And Social Networking Service	GIBS MBA	32	Yes	2
P4	Interview Participant 4	User Experience Manager	Telecommunication Company	Wits MBA	34	Yes	2
P5	Interview Participant 5	Key Account Manager	Packaging Company	Wits MBA	35	Yes	1
P6	Interview Participant 6	Financial Controller and Supply Chain Manger	Agriculture Chemical Product Manufacturing and Wholesale	GIBS MBA	36	Yes	2
P7	Interview Participant 7	Private Wealth Manager	Financial Services	GIBS MBA	35	Yes	1
P8	Interview Participant 8	Managing Director	Information Technology and Services	Wits MBA	35	No	None
P9	Interview Participant 9	Head of Digital Transformation & Head of Rapid Commercialisation	Management Consulting	Wits MBA	33	Yes	2
P10	Interview Participant 10	Process Manager Operations: Chemicals and Energy	State Owned Entity	Wits MBA	37	Yes	None

### 5.3. Results

The section below is split between the three research questions and their corresponding sub-themes.

#### 5.3.1. Research Question 1

*What are the situational factors that impede entrepreneurial intent?*

This research question sought to determine whether role models, support, access to finance and knowledge and skills impeded the participants' entrepreneurial intent.

##### 5.3.1.1. *Role Model*

To further understand what has influenced an individual to have entrepreneurial intent, the participants' background was discussed to provide context around whether they had role models in their circle of friend and family that influenced them. The figure below indicates the split between those that had role models and those that did not.

Eight out of the ten participants identified that they had role models growing up who were entrepreneurial and had influenced them.

- "...one of the first people that was a real influence in my life was a family called the Debroskis and when we were very small, they took me into their offices and showed me what their business was and practically told me how it worked. And when you break down to the nuts and bolts of it, their business was very simple, but it made a lot of logical sense you know." (P1)
- "I mean, I think probably just being close to my uncle.... he just was always on top of things, he really lived his own life, successful, quick, dynamic, just this incredible lifestyle, I do not even mean the glamorous side of it, I mean, he could work a huge day and still have the energy, and travel and holiday. It was just appealing; he was one of those guys that everything he touched turned into gold..." (P2).
- "My mother's brother which is from Malawi started a business here; a stationery and furniture business .... I think I was in my late teens and you witness someone from a foreign country and he is able to craft something and create something and materially see the rewards, it was fairly inspiring. It was not something we spoke about but I think that was a reference point for me." (P3)
- "My oldest brother is also an entrepreneur. He started up a housing business in the UK. He buys properties and then he rents out or sublets the different rooms. In London there is a lot of demand for people that don't want to rent an entire house or

flat they just want to rent a room because housing is so expensive there. So he started off just renting places and subletting, but he's now growing, he's now buying places and renting out the rooms. So he's been quite a good role model from the entrepreneurship perspective. Then as I said my mom started up her own business.” (P4)

- “When my uncle came from Durban to Johannesburg, he came with the intention of starting a business so that was totally his thing, we've always been in business and he tried his hand at a couple of things and then he got into undertaking so our family business is an undertaking business...” (P10)

Two participants identified that they did not have an entrepreneurial role model that influenced them when they were younger.

- “But no I didn't really have any family members who were entrepreneurial or set that type of example so that never was something I was massively cognisant of.” (P7)
- “...I do not feel that I had a lot of role models from an entrepreneurial perspective” (P9)

Participants also identified friends in their current circles who they refer to as roles models, and who have had an influence on them.

- “I have some friends that have got their own businesses and through time have influenced me in some shape or form.” (P8)
- “My best friend is an entrepreneur and he has been very successful in his business. He's just doing very well, and I've also had several other friends actually start-up companies. In my immediate network I've probably got about close to 10 to 12 entrepreneurs in my group of friends who in one-way shape or form run a business.” (P1)

Although the participants have identified the benefits of entrepreneurship whilst observing family and friends as entrepreneurial role models, the participants still seem to identify many challenges or potential issues.

- “I think that if you get it right it is the most rewarding thing but if you get it wrong it can be very painful, it can destroy families, the impact of getting it wrong is far reaching. I am very sober about that also and I think that is also informing my cautious approach.” (P3)
- “... it's very difficult [entrepreneurship] and I don't think that if the sun is shining, you work harder, you've got different challenges and people might love it because of what

they do, but they don't love it because it's the life they've always dreamt of having but never been able to have in a corporate..." (P8)

#### 5.3.1.2. *Knowledge and Skills*

Participants identified that their knowledge and skill were honed through university education and work experiences. All participants are currently working in corporate organisations, however, some of the participants had previously started their own business or had some exposure to entrepreneurship. Their university education and work experience has given the participants the skill set and knowledge to start their own business.

- "Practically there are a lot of intangible things that you have to learn, you know, not just managing people, how to engage with people and how to support people and things like that. But, I also think understanding political structures in organisations, understanding how to give out roles and responsibilities and delegate to an extent, but also maintain some level of power. I think that's been a lot of my learning practically, which is very different from the academic side." (P1)

Although all participants did have a university degree and a number of years work experience, the majority of the participants still felt that they could benefit from learning additional skills and knowledge and this was their reason to further their studies through an MBA.

- "I have this tendency for entrepreneurship, I really enjoy it, but although none of the companies I ran were failures none of them were really successful either. They were kind of lifestyle businesses. They would be enough to give me money to carry on, but they didn't have scale and scope so we decided collectively with my wife that it would be wise for me to go and do a business degree, so that is why I actually did the MBA full time." (P9)
- "The MBA was kind of my final part of my education, where I got a holistic view of business. So, I think there are two things, the one is to say that there is a very academic view of the world and how you should learn certain things and I think I've obviously got a very detailed knowledge in that space. So, there are things like, organisational change in design, HR structures and strategies, financial accounting, management accounting, now I'm not necessarily deep technically in them, but I have studied those areas, I have a level of depth in each of those areas." (P1)
- "...confidence and feeling better equipped..." (P2)

- “For me it was about confirming what I knew and understanding what I did not know.”(P3)
- “I needed a circle of friends and peers that I can tap into and I think that's what drove me to the business school.” (P5)
- “I always wanted to know more about business, business administration; what to do with the business.” (P6)
- “I decided to do the MBA on the background of broadening my sort of skill set, or understanding beyond just the functional orientation of a day to day basis, on to a more business wide view” (P7)
- “I was very young, so I was like 22 and I needed to bridge the academic gap so that I could have a competency for a more senior role in the business.” (P8)

Most of the participants identified that the MBA degree and exposure to formal entrepreneurial education did assist in increasing their entrepreneurial intent:

- “Increased because various aspects as the exposure through colleagues, some of our colleague were entrepreneurs who have done very well, and then there's an element of the knowledge itself that we get for business start-up as a course.” (P5)
- “Whether it made me more entrepreneurial, absolutely. I think it also caused a lot of confusion because there are opportunities you see that you can do so much with, ‘wow there is this I can do’, ‘there are all these people I can work with now’, and it actually becomes overwhelming because you almost feel like superman or super-person. You have these resources around you now, and you have this knowledge and you just want to do stuff, and I think that is why I came out guns blazing at my company.” (P3)
- “You need to know how to read people, you need to know the markets, you need to know your products, you need to do your financials, doesn't mean you just buy stock, you have to add all the components of the business to understand what entrepreneurship is, and that's what the MBA taught me.” (P6)
- “I went in as an entrepreneur and I came out corporate, so from a direct, (if you look at it on paper), you would think that it decreased my entrepreneurial, whatever, intent, right. I do not agree with that, I think my entrepreneurial intent became larger and when I mean larger I mean by scale and impact.” (P9)
- “It definitely has increased [entrepreneurial intent]. You begin to realise the role young entrepreneurs can play in the South African economy.” (P10)

A few participants identified some criticism regarding formal entrepreneurial education within the South African business schools.

- “Now the funny thing is, having to look back at my MBA and also particularly with other entrepreneurs who have either been through an MBA or looked at an MBA. I don’t necessarily believe that the MBA provides anything, it may provide you with a lot of tools but in many instances, it works to an extent against entrepreneurship. In the sense that or with my logic being that, if I look at the GIBS MBA for example, it’s very structured around building out great managers / leaders, who understand working with people and things like that. It does not necessarily (and I think these are very difficult skills to teach), but building entrepreneurial intent or trying to encourage people to take risks and growing something is very different. And I think what is interesting also is that the comparison of MBA now looking back on it. So the South African MBAs are largely structured from my experience largely structured around creating strong leadership and management for businesses because, there’s a massive demand for it in the market. Whereas international MBAs (if I think of some of the books I’ve read as well as some of my friends experiences) with places such as Harvard and INSEAD etc., they are very focused on trying to get people to take a risk whilst they are doing their MBA.” (P1)
- “Obviously having gone to school for a formal education, all the tracks lead to formal employment, it’s not necessarily encouraged that you try something new.” (P3)
- “I wouldn’t even know what I should be doing first. Whether I should be looking for funding or whether I should be looking for a property or whether I should be writing my business plan, I actually have not the foggiest clue what to do first and I honestly think that business schools fail MBA students in Africa even though they are very business driven, they are still very academic in terms of their delivery of a lot of the modules. It is still super academic even though they want you to be entrepreneurs, you always have to figure that part out on your own” (P10)

#### 5.3.1.3. *Support*

All 10 participants identified that they had the necessary support in order to start their own businesses. The support discussed in these interviews can be categorised into network support through peers, colleagues, class mates etc.; moral support from family, and friends and mentor/coach support. The fourth category of support identified was financial support but that will be discussed under section 5.5.1.4 access to finance.



The interview participants either identified that they had a coach or mentor or that they saw the value in finding the right coach or mentor when they start their own business.

- “...I feel that he is quite a good mentor to me.” (P4)
- “I feel that I have mentors that I can plug into.” (P9)
- “...I would certainly be looking for a coach or mentor if I wanted to start a business. Someone that has been down this road that will be able to guide you...” (P10)
- “I need to find someone who is in my life space and in my orientation and no, I don’t have one yet but I am actively looking.” (P3)

Networks or access to networks seemed to be a popular theme relating to support. Many participants discussed the value of engage with their past MBA class mates for support.

- “...I now, have very good networks.” (P9)
- “I’ve got really good MBA friends which really have a good knowledge of business also and I think if I would ask them for support they would really support...” (P6)
- “Right now if I was thinking to introduce a product, my first point of contact will be my class.” (P5)
- “I have smart people that I can discuss things with, so I feel fully supported from that perspective.” (P9)
- “I don’t think access to people would be an impediment, I don’t think that a network would be an impediment” (P7)

Moral support especially from family and friends is evident as a form of support.

- “In terms of my support structure, my family, my friends and everyone around, I think I have a very good support structure.”(P1)
- “Moral support I wouldn't have a problem at all, my family has been in business my whole life. I grew up in a business so that wouldn't be an issue in fact my sister and I often bounced business ideas across each other.” (P10)
- “...more than all those things I’d need support from my wife.” (P9)
- “I have been quite diligent about who I speak about my plans with because I want people who will be honest and civil with me.” (P3)

#### 5.3.1.4. Access To Finance

There is a difference in opinions relating to access to finance. Six participants identified access to finance to not be an impediment, and three participants identified access to finance as an impediment.

Six participants identified that access to finance was not an impediment to their entrepreneurial intention. However, the extent of the finance required based on the opportunity size may be a consideration.

- “I think, financially, I have got a plan to get to the level of support that will get me comfortable.” (P3)
- “If the business that I wanted to start up were a good prospect, I would probably be able to get the financial support as well.” (P4)
- “Do I have the support financially, yes.” (P6)
- “I don’t feel that finance is an impediment, In terms of access to capital” (P7)
- “So I think for the most part all of that support is available. The extent to which it’s available and how much I’ll need will have to depend on the business opportunity.” (P8)
- “Yes and no, because if I wanted to go into trucking. You are talking like, many, many, many millions. So small to medium business, yes, but if you are talking like a R100 million, even if I could access it, I am just to risk averse to put that much capital into it.” (P2)

Three participants highlighted that access to finance is an impediment to their entrepreneurial intention.

- “In terms of means, or financial means, I think that is the massive concern for me. Access to finance or low risk finance I think would probably play a big part.” (P1)
- “No, definitely not and in all honesty I wouldn’t want to start a business with my own capital, it just doesn’t make sense for me to do that. If I’m starting a business I need to be able to balance that source of funding.” (P10)
- “It’ll be the finance currently based on the idea and depending on the idea again, I don’t know whether I have enough savings to sustain from my own pocket.” (P5)

General sentiments to access to finance in South Africa again highlighting a difference of opinion:

- “There is no lack of money. In fact, money doesn’t know where to put itself in South Africa. If you look at the numbers, that is pure fact. The problem is that there are a lack of people that are willing to commit and to get an idea to work and something people can buy into. Those that are committing, I think that is a sign for an investor on how vested the person is. There are people that are committing on an after-hours basis and that, for an investor is not committing.” (P3)
- “South Africa we have got a very, very conservative financial sector” (P9)

5.3.1.5. *Result Conclusion: Research Question 1*

The summary of the result for research question 1 can be found in Table 3: Summary of Situation Factor Results.

**Table 3: Summary of Situation Factor Results**

Factor	Summary of Results
Role Model	<ul style="list-style-type: none"> <li>• Majority of the participants had entrepreneurial roles models who influenced their behaviour.</li> </ul>
Knowledge and skill	<ul style="list-style-type: none"> <li>• The participants obtained the necessary skills and knowledge required to start a business through:               <ul style="list-style-type: none"> <li>○ Work experience</li> <li>○ Attended University</li> <li>○ Level of Study: MBA</li> </ul> </li> </ul>
Support	<ul style="list-style-type: none"> <li>• The participants identified that they had the necessary support such as:               <ul style="list-style-type: none"> <li>○ Moral Support from family and friends</li> <li>○ Network Support from peers, colleagues, class mates etc.</li> <li>○ Mentor/coach support.</li> </ul> </li> </ul>
Access to Finance	<ul style="list-style-type: none"> <li>• Majority of the participants in this study did not find access to finance an impediment.</li> <li>• The extent of the finance required based on the opportunity size may be a consideration.</li> </ul>

### 5.3.2. Research Question 2

*What are the environment factors that impede entrepreneurial intent?*

This research question sought to determine whether the economy and market, institutions and policy, infrastructure, labour and culture impeded the participants' entrepreneurial intent.

#### 5.3.2.1. *Economic and Market Factors*

Majority of the participants identified the current South African economy and market not to be an impediment as they viewed the current problems as opportunities.

- “I think the economy is right and South Africa is a great place to start and I am really excited about the rest of the continent. Places like Nigeria and Ghana, they have got real, serious problems there but once again I believe that is where all the opportunities are.” (P3)
- “So the reality is that there has never been a more fertile environment ever for entrepreneurship in South Africa. Particularly if you are a black, young person, and even if you are a young white person but you need to find a young black person and bring them with you in that journey.” (P9)
- “I would be unlikely to start a business anywhere else in the world, and I think South Africa has got the most opportunity for me anyway. To go and try enter a market that I am not familiar with, and a culture I do not know with no network, I currently have quite a good network. I sometimes feel like, not that I have been hugely successful, but I feel like South Africa is less competitive, which is an opportunity.” (P1)
- “I think it's very right for business as much as our growth rates are nothing to rant and rave about but I think the economy is certainly very right for growing businesses. There's certainly this emerging middle class that so very influential.” (P10)
- “I believe this might be from a very privileged point of view but I get very frustrated with people who live in adverse circumstance and I suppose it is that thing; when you are at home and you are blind to the opportunity. Someone might come in there with a completely different point of view and they look at the same situations and be like “wow you have got so much”. That is how the Asians have been able to take over the world. You find them in the most random places in Africa because they come here and they go “geez people need stuff here whereas people who have lived there for years and decades and centuries have not seen that thing”, so I think there are huge opportunities. I just think that if we are not putting ourselves in foreign enough environments then we won't see them...” (P3)

- “The economic climate is changing, how big corporates are growing and sustaining themselves, so it’s making it more difficult. And then I think we’ve got a very big developing middle and lower class of which requires huge opportunity, that’s where the growth is coming from. So the opportunities are there.” (P8)
- “No I don’t think it has any impact. I think it’s more up to me. Basically, the choices I make in my own life.” (P4)

There were outliers within the sample, which identified that the South African economy and market impeded their entrepreneurial intention.

- “It just increases the risk massively because the probability of failure given the cost of money, and also the inability to compete internationally in certain ways, it’s a killer.” (P1)
- “I think the more the economy goes down people become more conscious of what they can afford and it becomes more of a basic need. That itself affects the entrepreneur's intentions because now you have to think hard. You have to think of “what product do I bring into the market that is going to answer to needs?”” (P5)
- “Let’s be honest, it’s very difficult for a one-man show these days to just start and begin to go for the big contracts in life. First of all there’s political reasons for that, second of all you must have the resources for that, however that does not refrain you from having a business, and just serving your community for instance.” (P6)

#### 5.3.2.2. *Institution and Policy*

The majority of the participants identified that South Africa’s Institutions and Policies are an impediment to their entrepreneurial intention.

- “Simple things, like our legislation is a massive inhibitor, and cost of employment in South Africa.” (P1)
- “I mean our government is absolutely horrific and I do think they have put a lot of cost on business. So there is a bit of an impediment but I think it is like, you just role with it, I spend very little time worrying about it.” (P2)
- “If I look at the legislative environment, if I look at the compliance requirement, if I look at the statutory capital, all of those type of things, it is a massive barrier.” (P7)
- “I do believe there still needs a lot of work to go into the period of how long it takes to set up a business, regulations from a tax perspective, investor control as far as external investor.” (P3)
- “I took my heart off the government to be very honest. I went through the process of trying to get funding and trying to get support when I started my first business. And

sure it might have been an early business; it was a service business, government did not understand that thing though, they were funding businesses where they can see they have got products, so getting funding for a service business was tough.” (P3)

- “Government wise I'm not sure whether I would get support because in as much as there is a ministry for small business development, I am still not convinced of the support they give to entrepreneurs because in as much as we are crying about the economy going down, there are some pockets of South Africans that are saying “but why are we not supporting small businesses”. For example you find that the terms and conditions for you to start a business, to register is still very bureaucratic” (P5)
- “I think policy wise its around company registrations, the time that it takes” (P5)
- “Sure so things like education and tax and investment subsidies, business support services and even incentives for consumers and businesses to support small business are significantly under developed or don't exist and those are the things that will inevitably drive focus onto smaller businesses and help people because the biggest sort of jump to be able to go into a smaller business is getting to a point where you can sustain yourself, and all of those things drives pro-competitive measures that drive entrepreneurship. So I don't think we have those things in place. There are some things but they are very limited” (P8)
- “Definitely, and I definitely don't believe that they are pro-entrepreneurism.” (P8)

There were two outliers that identified positive view point's regarding South Africa's Institutions and Policies.

- “I think there's probably smaller inserts like new legislation that's going to be passed for investing in start-ups which will be supportive. You know there's a lot of legislation around government investment in start-ups, if you look at BBBEE practically it can mean a huge amount for business.” (P1)
- “I think every governmental policy that comes through, there's certainly this drive for entrepreneurship and woman companies” (P10)

#### 5.3.2.3. *Infrastructure*

The majority of the participants identified the South African infrastructure to not be an impediment to their entrepreneurial intention.

- “I don't think our infrastructure is a problem.” (P9)
- “I think brick and mortar, there is a lot of work that has gone into infrastructure.” (P3)

- “I think the minimum viable infrastructure is satisfied for the most parts. And particularly because these business opportunities are urbanised and I think we’ve got sufficient infrastructure in that regard.” (P8)
- “Our banking systems are far more progressive, and you look at the same when it comes to Telkom, and the same thing with internet, with decentralized local computing units, very different structure to the way things have been put together, so from my infrastructure perspective, roads and stuff in South Africa are very good.” (P9)
- “So I do not think that those are huge barriers, I mean connectivity is a major barrier, but it is going to close far quicker than anyone realizes and, so infrastructure is something I am not too worried about.” (P9)

The communication or technology infrastructure seems to be the one area of concern as a potential impediment.

- “Okay, well physical infrastructure such as roads, rails, transport and buildings are what I consider physical infrastructure. I think there is definitely a shortage of infrastructure and again means of transporting things are definitely a problem. But by the same token I think comparatively to rest of Africa we are a lot better. It’s just that we compare ourselves with European standards and that is very difficult. I do think technologically, our tech infrastructure is a massive concern. In many cases I think we are being leap frogged by smaller countries because of the fact that we haven’t necessarily invested in the technical infrastructure, we’ve invested a lot more in physical, because it’s easily seen, where as technical, tech related is not easily seen.” (P1)
- “I think maybe specifically in the tech space, a lot of the lower income market still doesn’t have internet connectivity or at least are at a level where they can access the internet and things like that. So I think that is an impediment.” (P4)

#### 5.3.2.4. *Labour Factors*

There are a few elements relating to labour which have been identified as impediments. The element discussed was labour legislation and lack of skilled labour.

The current Labour Legislation has had an impact on the cost of labour, productivity of labour, and the hiring and firing process which results in an impediment to entrepreneurial intention.

- “100%, yes I mean simple things like our legislation are a massive inhibitor, and cost of employment in South Africa. I mean if you just look at, productivity of labour in South Africa, it’s a clear sign. It’s hard to hire people, quality people and their productivity is lower than most people globally ...” (P1)
- “Yes so look I think the regulation for labour in this country is very difficult, it doesn’t drive pro-employment measures. People are too scared to employ due to the rigorous regulations around protecting the employee. At the same time I actually understand why they need to protect the employee so I understand that it’s got to balance both sets of interest. But to answer your question, absolutely, it’s a huge factor. So I won’t employ somebody because I know that the risk of being able to match labour in a very agile way to the either growth or shrinking of my business is not easily attained so that becomes the impediment.” (P8)

The lack of skilled labour in South Africa, and the quick turnaround of labour does result in an impediment to entrepreneurial intent, or a strong driver of high labour cost as the work will need to be outsourced to experts.

- “So in the tech space for example it is hard to find developers. A lot of who are outsourced to China, a lot of who are outsourced to third parties, a lot of who are outsourced. Actually having it in your business is costly and to find people who understand the markets that you are dealing in especially the emerging markets, they tend to be graduates from really expensive schools.” (P3)
- “Skilled labour in my case, and it is quite hard to find it. So I’d say if I didn’t have the current partners that I have and I had to start from scratch, it would be extremely difficult to actually find those people.” (P4)
- “More and more people with skilled labour are immigrating away from South Africa because of the economic climate. But actually you need to encourage them to stay and start businesses, to do something on the sides, and help create jobs.” (P6)
- “Labour is very easy to come by. The problem is they don’t stay so you have that dimension of turn around quite quickly” (P10)

#### 5.3.2.5. *Culture*

When discussing entrepreneurship in South Africa, a common theme arose that South Africa’s culture and education system including the business schools seem to breed this “self-fulfilling prophecy” of good employees, or good corporate managers/leaders. The common consensus was that unless South African culture changes, this culture of steady and safe employment will continue.



- “I look at me personally and in many instances I have the same type of entrepreneurship intent as when I was younger, and the funny thing was that I tried to de-risk it through education and all of those things. But arguably those don’t necessarily make your intent any more, it might give you more skills arguably, as I said earlier you have technical skills that’s great, practical skills are often more important. I do believe the older you get, societal pressures as well as your cultural standards or my cultural standards anyway definitely impacted me. It created more risk funnily enough. You are trying to de-risk it, by going through an education and taking time to get educated, and by taking that time I think you are indirectly increasing your risk because you are doing things like settling down and considering things as you get older like marriage and things like that.” (P1)
- “That is why South Africans make great employees. Everywhere in the world, people love employing South African people because they are bred to be great employees.” (P3)
- “...you know there’s a cultural thing where failure in South Africa is frowned upon. So if you don’t succeed at a business it’s very difficult to recover whereas in America there’s a constructor of “you can’t be a credible entrepreneur unless you failed a few times”, you know. And I think that all of that stuff together and it is important.” (P8)
- “South Africans have a terrible mind-set of South Africa only, and when you look at the market size, or little businesses it is actually noted, “how is this globally relevant”, and “let us build this to punt it locally but scale globally”, and I think that is more mind-set that we need to get into as a country, if we are ever going to go, and our problem is not big enough to absorb the people.” (P9)
- “I think that no one goes out to fail, but I think the learning process is incredibly valuable, so that’s where the value comes in, and I think that the normalisation of failure there (America) doesn’t become an obstruction on whether or not to take on an idea. Part of the reason why I haven’t taken an idea, is fear of failure. So I think that is a huge factor and I think it’s a maturity of society issue which we evidently are not as mature, as we need to be in that regard.” (P8)
- “Oh there’s definitely a culture in South Africa around failure. So I mean whether we’d like to believe it or not, when people don’t necessarily meet the target or do something, there’s an innate thing in our culture which says that it’s negative, and also taking risks, I would argue is not necessarily encouraged in our culture. So culturally I think that is part of the fear of failure.” (P1)
- “From a challenge perspective that we see on our transformation side, our EE candidates, get really nice packages, get lured for the business and it is that lure of

corporate that keeps guys out of the market. So the problem is that a young guy coming from university can go straight into a million rand salary. Or he may start in the basement of his sister's house, it very difficult when there is a culture in South Africa as well around aesthetics, especially in Joburg and Cape Town, the aesthetics and assets are very tempting for those young bright, black youngsters to go straight to corporate and miss this, which is sad.” (P9)

- “My friend has packed up his stuff and is on his way to New York and he is an entrepreneur through and through, and he says that it is a badge of honour when you fail. And they ask you how many businesses have you started and the fact that you are still not running the businesses is irrelevant, but the fact that you started them and you failed is an indication that this person is more investable than someone who has spent three years analysing the numbers to the Nth degree and now knows that this thing is going to work, they will go “well you probably have no run-time in you and you probably don't understand what is going on”, so you're right, it is a very South African thing. I see even in Nigeria they have a different risk appetite for entrepreneurship, and it is just an optimism. I think South Africa is very pessimistic in that perspective. I think every Nigerian person you meet will say “I can make a million dollars tomorrow” and he is convinced of that like, ‘now I am going to make a million dollars, what are you doing with your life’, type thing. Whereas in South Africa there is not that aggressive level of optimism. There is very measured and cautious optimism and in more cases than not, it is almost negative - it is almost pessimism.” (P3)

One participant shared his opinion on why he felt that South Africa was not pro-entrepreneurship, which simply put, has to do with the country maturity life-cycle.

- “South Africa yes. No I think there is many micro economic factors, political factors, cultural factors, legacy factors and as with any country which is effectively a system which is maturing over time you can't go from zero to hero. You've got too progress through a maturity cycle. So I think the challenge is that South Africa is still dealing with really rudimentary issues, and now we are expecting to be very evolved and progressive in certain things. Now there's a bit of a paradox because if you have a look at our banking infrastructure system, governance we are rated very high globally. When you have a look at things like the private security industry we are rated extremely high globally, but when you look at things like getting textbooks to classrooms, making sure that people can drive home safely, making sure that criminals get sustainably tried, and justice prevails... like we fail dismally at stuff like that. So you know this massive paradox that we live in makes it very difficult now to

have a culture that tolerates failure, and those kind of things when people just want to put food in their mouth seems like an irrelevant thing to be worrying about.” (P8)

#### 5.3.2.6. *Result Conclusion: Research Question 2*

The summary of the result for research question 2 can be found in Table 4: Summary of Situation Factor Results.

**Table 4:** *Summary of Environment Factor Results.*

<b>Factor</b>	<b>Summary of Results</b>
Economic and Market Factors	<ul style="list-style-type: none"> <li>Majority of the participants identified that there were opportunities in the current economic and market environment.</li> </ul>
Institutions and Policy	<ul style="list-style-type: none"> <li>South African Institutions and Policies have imposed a lot of regulatory burden on businesses</li> <li>The participants did not feel that they had the necessary support from the South African institutions, with one participant explaining that the institutions are not pro-entrepreneurism.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>Physical infrastructure is not seen as an impediment as the participants feel that it is adequate and the government has invested in it.</li> <li>Communication infrastructure is seen as an impediment.</li> </ul>
Labour	<ul style="list-style-type: none"> <li>Strict labour regulations has had an impact on the:               <ul style="list-style-type: none"> <li>Cost of labour</li> <li>Productivity of labour</li> <li>Caused a lack of skilled labour</li> <li>Increased the cost and administration of the hiring and firing process</li> </ul> </li> </ul>
Culture	<ul style="list-style-type: none"> <li>The South African culture has a tendency towards uncertainty avoidance which has resulted in a low probability of individuals having strong entrepreneurial intent.</li> </ul>

### 5.3.3. Research Question 3

*What are the psychological factors that impede entrepreneurial intent?*

This research question sought to determine what psychological factors impede entrepreneurial intent. The recurrence of each factor during the interview process has been identified in Table 5: Frequency of Psychological Factors. The number represents how many quotes were identified for a specific participant relating to a specific topic, for example P7 discussed “appeal of wage employment” 8 times. The topic of risk perception has the highest number of quotes (38 quotes) and fear failure has the lowest number of quotes (31 quotes).

**Table 5: Frequency of Psychological Factors**

Psychological Factors	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	TOTAL
<b>Perceived Feasibility &amp; Propensity to Act</b>	3	8	1	4	6	3	10	3	4	8	<b>36</b>
<b>Risk Perception</b>	3	2	4	3	5	1	3	4	5	8	<b>38</b>
<b>Fear of Failure</b>	6	2	4	1	2	4	5	3	2	2	<b>31</b>
<b>Appeal of Wage Employment</b>	0	1	0	3	5	1	8	7	8	4	<b>37</b>
<b>Total</b>											<b>142</b>

The above psychological factors will be discussed below, however due to the large number of quotes for each theme only the key quotes will be highlighted in each section.

#### 5.3.3.1. *Perceived Feasibility and Propensity to Act*

Twenty nine quotes were linked to the factor “Q3: Perceived Feasibility”. However additional quotes were identified around “Start a Franchise”, which could also be linked to the overall factor of Perceived Feasibility. The breakdown of which participants contributed to this topic has been identified in Table 6: Frequency of Perceived Feasibility.

**Table 6: Frequency of Perceived Feasibility**

Atlas Code	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	TOTAL
<b>Perceived Feasibility &amp; Propensity to Act</b>	3	7	1	1	1	2	10	2	1	1	<b>29</b>
<b>Start a Franchise</b>	0	1	0	0	0	0	0	0	2	4	<b>7</b>
<b>Total</b>											<b>36</b>

The general consensus from the participants, is that the benefits needed to be balanced against the perceived risk for them to consider moving forward with the opportunity. If the risks outweighed the benefits or if the benefits were perceived not to be enough compared to the risk taken, the participants would not consider the opportunity.

- “I think smart entrepreneurs take calculated risks.”(P1)
- “Calculated risk. Risk is good if you understand it and if you know what the profile looks like, and if you understand what you can lose and if that sits well with you.” (P7)
- “I think I haven’t really identified any opportunities that I’ve felt like I can really take an opportunity, and leave my job for at the moment.” (P4)
- “So from a business perspective, I do not mind taking risks that I believe I can influence.” (P9)
- “I see things in quite a black and white way, in sort of a return on investment and there is risk associated with it that needs to balance. Once again it is quite simple, that the upside is to fairly, or more than fairly compensate you for the risk that you are taking.” (P7)
- “...entrepreneurship is really exciting when you’ve got the greatest likelihood of success and there are so many factors which contribute positively and negatively to the likelihood of success...” (P8)
- “...conviction would just simply be a high level of confidence in the probability of success.” (P7)

The participants highlighted that they had self-confidence in their skills and capabilities relating to entrepreneurship.

- “I think the difference might be the degree of confidence maybe. So I don't think there was a massive change in my feelings towards entrepreneurship or my ability to do it. I think you just get more confident in yourself and I think it's very difficult you know that self-knowledge and self-awareness.” (P1)
- “It helped my confidence, it reignited my want to do something and I think it was all about creation for me. The want to create, and there are all these problems to be solved so what can we create to solve them. So it definitely ignited that for me and it gave me more confidence.” (P3)
- “I’ve got a totally different perspective of economics, of people, of what I used to know before the MBA. It was not only just about economics, it was about people knowledge, culture intelligence; I think there I learnt how to make a success of yourself.” (P6)
- “...the ability to think in a complex environment, which is what the MBA gave me, ultimately gives you a sense of confidence that you can take on an entrepreneurial role.” (P8)
- “For others in my MBA, I think it does give you a fall-back position, which depending on where you sit, it's a great opportunity or just provides you with that level of comfort

you might not necessarily have. So for example: If I were to fail in a start-up, given my education and my experience and everything else, the probability of me finding a job is a lot higher given that I studied an MBA, that is my belief because of the amount of MBAs in the market.” (P1)

Three Participants identified that they would consider purchasing a Franchise as they see it as ‘tried and tested’ with less risk.

- “Things like franchises I am very supportive of. Things like, not just Steers, but all types of different businesses, because it comes with a packaged business construct that people can go to operate in, then go start their own thing. I think most people fail at businesses not because they are not clean, because they do not know how to do it.” (P9)
- “I would probably purchase a franchise first to establish exactly how it works and then be able to open up something myself.” (P10)
- “So if you give people nice clean processes in a nice franchise, for me that is a fantastic, entrepreneurship (opportunity) in South Africa.” (P9)
- “So in a franchise you don’t have this risk. It’s like someone else has already done the homework, you know. The franchisors have already done the homework to say “where would be an ideal location”, “where would this work”, “where would that work”, “this recipe works” etc. So you almost have a little bit of a buffer.” (P10)
- “... get a few franchises of petrol stations and Steers, and one or two other little things. Maybe something like that would be really appealing, I would not be totally adverse to that.” (P2)

#### 5.3.3.2. Perception of Risk

Thirty eight quotes were identified around the factor “Risk Perception”. As there were many quotes, they could be further categorised into four categories. The breakdown of categories and participants contribution has been displayed in Table 7: Frequency of Perception of Risk.

**Table 7: Frequency of Perception of Risk**

Atlas Code	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	TOTAL
<b>Risk Averse</b>	0	1	0	0	3	1	0	0	1	7	13
<b>Risk: Dependencies</b>	3	0	3	1	0	0	1	1	2	0	11
<b>Risk: Stability</b>	0	1	1	2	2	0	2	3	2	1	14
<b>TOTALS:</b>	3	2	4	3	5	1	3	4	5	8	38

The participants identified themselves as being adverse to risk, not being a risk taker or having low risk appetite.

- “I do however feel that the psychological impact, your thought process, the way you interpret the world for lack of a better word - it will impact a lot of what you believe. We all know people that are in exactly the same position as us, but have completely separate perspectives of the world and that is purely based on how they choose to view the world and I believe I’m pretty good at choosing certain things, but funnily enough you can create your own risk in your mind sometimes so that’s psychological.” (P1)
- “What I’m not is a risk taker, to the extent that I’m just going try speculative ideas till something works and that certainly would not be my approach. You might find that some guys would follow that route, and they can make great success because they try, they fail and they try, they fail.” (P7)
- “My risk appetite is probably what will never get me started. I think my appetite for risk is so weak.” (P10)
- “I think it is the risk that is driving me, and out of experience I've seen some guys doing it, and then it doesn't work out and then sometimes the stress levels escalate, and then they have to go back into the corporate world.” (P5)
- “I’m not great on risk taking though. I’m not great on change.” (P10)

Majority of the participants (80%) have a family and children and is a significant influence on their risk appetite which creates an impediment to their entrepreneurial intent.

- “I had my first child whilst doing my MBA and my second child shortly afterwards and that increases the risk of entrepreneurship [sic]. It just increases any risk of taking on any entrepreneurial venture. And I can honestly say that has more likely decreased the probability of me taking risk, or being entrepreneurial which is defined by nature as taking risk.” (P1)
- “From that perspective, I’m less concerned about the actual business being a risk; my ultimate concern is for my family - what the impact will be on them and how best to mitigate that impact. In my head that is my biggest risk. (P3)
- “I would say my risk appetite is quite low, which is why I’ve done stuff on the side. So for me mainly it’s that I’ve got a few, quite a large commitment in terms of a bond, I’ve got two children that are quite young and a wife to support. So because of those aspects for me it’s not such an easy thing to just give up my well-paying job in a corporate and just start up these risky enterprises. Because for me I’ve got that existing commitment. I’ve got people depending on me.” (P4)

- “We live in such a difficult time for various different reasons, that there’s almost no room to take these kinds of risks. I think more people you know have responsibilities to pay for; your bond, pay for your children whatever it may be, and that risk of taking that transition comes at a higher opportunity cost. I’ve never met too many people that have gone into entrepreneurial roots and after one month they’ve gone “best decision I’ve ever made, my salary has increased, you know our balance sheets grown”. They struggle, then they normalise and then they pull out of it. And that might be a generalisation but I think for the most parts there’s a generic formula that goes there.” (P8)
- “How does it affect my family, I know, one of my key things is, right now, even if, a phenomenal opportunity, had to come I probably would not take it, because I have got a 2 year old and a 3 year old kid, I have got a wife, and a house, and a mortgage and a bond and all those things and I cannot afford for that house and the cars to fall down, so I am putting myself in an environment where I am very passionate about what I do. I am very closely linked to entrepreneurship but ultimately I am still a salaried employee, and I am not willing at this stage in my life to change but I still want to be part of that eco-system, and at a point in the future, I would like to own my own VC” (P9).
- “I would be concerned that I would be bringing unnecessary uncertainty and risk to my family”. (P9).
- “At the moment unfortunately I have a very low risk tolerance, I would say, and it massively inhibits me from making a decision to start a business. And again it takes, when I say it takes into account everything. So it takes in to account the fact that I have kids, if it was purely me and I had nobody else, and I could take risk that would squarely land of my shoulders, I’d be a lot more comfortable taking risk, then I would be with my dependants”. (P1)
- “I think what has changed is that my first business I ran when I was very simple, very young and I had low-risk. I had low commitment but high risk appetite. Drastically what has changed now is that I am a father, married with two children and yes it has been a big part of my decision making now. More so than I would have thought but it is what it is. I probably would not have stuck around this long in this job because after a year I was already thinking of things to do, but in my mind I was weighing up the pros and cons around the family and that kinds of stuff”. (P3)
- “The degree to what I am willing to take the risk is what has changed and I’d have to have minimums, and I’d have to have ceilings and bands with which I can play in, for lack of a better word. So I have had to manage my risk a lot better, not because of



me but obviously because of my incumbents. But I am not as “bullish”, I think I am a lot more considered when it comes to risks but overall I still have those ‘let’s just do it’ moments. I don’t think I will ever be the person that over analyses, I think it is a character thing. Sometimes to my detriment, sometimes not. Fortunately, and I think that this is one of the reasons why this is something I need to be doing, because I just feel that this is right”. (P3)

- “I met someone and we fell pregnant very soon after meeting, very unexpectedly and all of the sudden my orientation to risk was shifted as a result of this event. Years from going from being sort of as a care free bachelor with limited liability and responsibility, is now all of a sudden gone. It was quite different where you can say “Sjoh you could go the entrepreneurial route, start from scratch”, but now you’ve got something else which plays into it. That was probably a big event that happened in my sort of my thinking”. (P7)
- “Yes of course it does, because I definitely am less risk averse than what I was in the past, I would say now that I am moderately risk averse but I’ve also made some silly decisions in so far as risks goes. So I would think that risk is a huge variable, but I think having a little bit of wisdom and intuition to be able to decipher a reasonably sound opportunity versus a risky one is the difference, because everything has risk in it. I think determining the level of risk and your appetite to serve that is what makes you a good entrepreneur to some extent.” (P8)
- “When you are young and have nothing, you can take lot of risks and do lots of interesting things. The more you build up, the more you have to lose, the more you become tied into the salary that you become dependent on. So absolutely, the decisions and the mind-set that I have today, is not what I can make when I was 24.” (P9)

Stability versus uncertainty has a major impact on a person’s risk. The below quotes identify the participants view that their risk is linked to their financial instability or uncertainty.

- “Getting a salary. So the basic cost of living would be I guess the main concern. And how do you get that from month one. For me that’s probably the biggest concern.” (P4)
- “I think for me I am this risk averse person, as I’m always thinking about are my bills paid.” (P5)
- “I would want to structure it in such a way that it wouldn’t influence what I’ve done already in my life. And this is talking purely financial as I would try and ring fence

it. You haven't worked this far to compromise everything that you've done based on sureties. Getting some form of financial backing would make a lot of sense.” (P7)

- “So looking at Maslow's hierarchy of needs, safety and security, level one - can I pay my bond? I think that's the first thing, because otherwise I'd be sleeping under my desk which I don't want to do. But in terms of from a longer term perspective whether or not I believe I can create something sustainable that can meet my needs and where I feel I can add value and I have a purpose. I think those are the things that I would be looking to ensure that I can get.” (P8)
- “I'm not giving up the stability or the comfort of my normal day job, I will not risk that for anything in the world because it's stable, and I don't have to worry about whether I'm going to have a job in a month's time, nothing. It would be very foolish of me to give that up to start the business in totality.” (P10)
- “I suppose the natural fear is you leave a world of security and certainties going into the unknown.” (P7)

#### 5.3.3.3. *Fear of Failure*

Thirty one quotes were identified around the topic “Fear of Failure”. The breakdown of which participants contributed to this factor has been identified in Table 8: Frequency of Fear of Failure.

**Table 8: Frequency of Fear of Failure**

Factor	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	TOTAL
<b>Fear of Failure</b>	6	2	4	1	3	4	5	3	2	2	31

All participants identified that fear of failure does come into play when determining whether or not to start a business. It therefore is a major impediment to entrepreneurial intent.

- “On the negative side there is risk obviously which I have seen people struggling sometimes, because cash flow is not happening, people are not paying on time, and all those kinds of elements. The bills at home are kicking in and sometimes people get the houses and cars repossessed because maybe the idea was not well defined or the execution part of it was not brilliant, or maybe the products becomes redundant.” (P5)
- “So there's the risk part and there's also the fact that some people get drained because it is time consuming I've seen family crumbling because Daddy is spending too much time in the office or he doesn't sleep ...” (P5)

- “Sure I think there’s the naturally fear of failure, 100%, as nobody likes to fail, so (they) purely don’t do it. Starting the wrong thing is another one, and I think funnily enough it’s probably also a fear of being completely consumed by your work or doing something without a clear opportunity for you, and possible negative implications on your work...” (P1)
- “So I think, the thing is when you fail, you realise that you have to rebuild and my mind says that I would rebuild from a place where I don’t have the good strong track record, that I had behind me possibly, and there is like a blip in the scale, but the problem is the perception of that blip in South Africa is very different. So I suppose it’s the fear of failure but also the fear of a tainted record, or something that could be seen negatively. A lot of it I believe is also in our heads, like if you had my personality, I would over analyse it.” (P1)
- “So I think probably, fear of failure... let me rather say the cost of failure because I do not think it is an emotional thing. I am sure it would not be nice to start a business and it collapses, it would be unpleasant, but it is (the risk of) losing a few million rand or many million Rands.” (P2)
- “Fear of failure, but I think of it in a different way, so how many times will I have to fail in order to get to what I need to do. Because ultimately if you fail enough times, you are going to make it work, in theory. I know that because I have had similar experiences. I have failed lots of times, but then it works. So my fear now is that what is the iteration, how many permeations will I have to go through to get to where I need to get to, so that is a big fear. Buy-in... so I want to do things a lot better than I did the last time. Personally speaking, there are a lot of mistakes I made, so my fear is repeating those same mistakes again; that would be a wasteful exercise for me, personally. I have a fear of incorrect partnerships because I have been burned by them. I have a fear of getting into high-level strategic relationships with the wrong people...” (P3)
- “The fears that arise well, I would say it’s probably not being able to have a sustainable income that’s the main one I would say. I guess there would be a fear of failure like “I’m starting up this business and what if it fails”, how it will reflect on me, like being a highly qualified person. I’m taking this big risk and if it doesn’t work out it might reflect badly on me, but I would say those are my major fears.” (P4)
- “The fear of failure, I suppose is always there, I think entrepreneurs have to have a thick skin.”(P7)

- “Part of the reason why I haven’t taken on an idea, is fear of failure. So I think that is a huge factor and I think it’s a maturity of society issue, which we evidently are not as mature as we need to be in that regard.” (P8)
- “And perhaps the fear that you move backwards.” (P9)

In reflecting on past failure the participants identified lessons learnt that they could apply in the future.

- “Absolutely, and I have had my failures. I have started retail franchising, there is a lot of stuff that I have failed at but even in failing it has been a pleasurable thing to do, because there are learnings from failure. In corporate instance, I just find it so difficult to ultimately own the learnings when you fail. Sometimes it is not so easy but sometimes since you were not the one who put the playing cards on the table in the first place, when you fail you don’t entirely own it, you fail because of abc-xyz. Whereas when you fail in entrepreneurship a lot of the time you have to look yourself in the mirror and find the learning for yourself, which doesn’t often happen in the corporate context.” (P3)
- “As an entrepreneur, you need to fail. You need to fail otherwise you will not learn.” (P6)
- “I think that no one goes out to fail but I think the learning process is incredibly invaluable, so that’s where the value comes in and I think that the normalisation of failure there (America) doesn’t become an obstruction on whether or not to take an idea.” (P8)

#### 5.3.3.4. *Appeal of Wage Employment*

Twenty three quotes were identified around the factor “Corporate Appeal” and fourteen quotes were identified around the topic “Start a Business on the Side”. The breakdown of categories and participants contribution has been displayed in Table 9: Frequency of Appeal of Wage Employment.

**Table 9: Frequency of Appeal of Wage Employment**

Atlas Code	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	TOTAL
<b>Corporate Appeal</b>	0	1	0	0	0	0	8	6	7	1	<b>23</b>
<b>Start a Business On the Side</b>	0	0	0	3	5	1	0	1	1	3	<b>14</b>
										Total	<b>37</b>

Entrepreneurially driven people often leave the corporate environment to start their own business as they wanted more autonomy, decision making authority, access to money to drive their ideas or long term investment options. The feedback from five of the participants was that over time, through corporate entrepreneurial cultures, that corporates have learnt how to meet the needs of entrepreneurially driven people, and therefore have found a way to keep them in the corporate environment for longer.

Participant 7 and 1 highlighted that the sample, which includes MBA graduates, differentiates themselves from other samples as they are usually high performers and have had success in the corporate environment, making their need or motivation to move into entrepreneurship more risky.

- "...what I'm in at the moment is not even defined yet you know, as I could go into so many different things, and so to a large extent it addresses some of the entrepreneurial sort of excitement, but I've got access to a balance sheet, I've got access to IP, I've got access to good people and I've got a blueprint to sort of roll out..." (P7)
- "...there is this pre-conceived idea that what you get out as an entrepreneur you cannot get out in a corporate environment, and I think that's the biggest hypothesis that needs to be tested in terms of whether or not having an entrepreneurial intent can only be served by me, being in an entrepreneurial business or whether it can be served by being in a corporate." (P8)
- "...I actually think that I am an entrepreneur in a corporate. I get to ideate on the things that I want to do, I get to make my own decisions, I get to work flexibly, I get to make decisions and I even get some of the benefits. I have capital available as needed; I've got people to do the mundane administrative tasks that I don't want to do." (P8)
- "Yes I think it's changed phenomenally and I think that the types of work, who you work with, how you work, where you work, when you work, all of those sort of factors have radically changed. We are moving out of an industrial era whereby it was your responsibility to just do this, and I can understand why people get bored and your responsibility is just to be at work at 8:00. Now the truth is that I deal with many different problems any time of the day. If I have a device of my choice, I can work from anywhere in the world, I'm empowered to some extent to make decisions. When I'm in trouble I've got a support base that I can leverage off. If I need money I've got somebody I can ask money from, you know that sounds like a cool version of entrepreneurialism, and at the end of the day you'll still have a boss and there are

still rules that you have to play by. It's never going to be perfect, there's always going to be trade-offs. And it's about quantifying whether those trade-offs value in favour.” (P8)

- “...what I am doing is incredibly entrepreneurial, so I am finding that it is ticking all the boxes that I need to fulfil myself, as an entrepreneur and it is also stable, so I very much feel like I am getting the best of both worlds. What I am not getting is I am not building equity that is the only thing I am not going to get from this journey.” (P9)
- “So I enjoy what I do now. So I have grown up in my uncle's business there is something special there, and I do have a sense of what I am doing now, it is something quite different, an opportunity to maybe play on a bigger stage, than if I was alone, not in an egotistical way too, but just to make a much bigger contribution.” (P2)
- “...small business has probably given me the flexibility that hasn't made me as jumpy as some of the other people so desperately unhappy in big corporates” (P7)
- “A lot of people say ‘no I want to have my own business, I want to have my flexibility, I want to make decisions and I want to be strategic’. There are many roles in the organisation that actually do offer that and if you can find the right roles that play to that I think you can find a lot of things that you actually think you are looking for inside a much more structured environment where there is resourcing, structure, support, funding, you know all of the things you have to battle with.” (P8)
- “Because they are able to meet the needs, that people were originally looking for as well.” (P9)
- “... it pays phenomenally, so that thing is and its stable, very stable, it's government. I get all sorts of perks and all sorts of benefits. My benefits are everything from my car insurance being paid to travel, so there are all sorts of benefits.” (P10) “MBA by large they are high performers, so they are people doing well in their career so their need to do it (entrepreneurship) may not be the same as maybe a different sample.” (P7)
- “...and I think the other thing is it's a personal drive. I've had a relatively successful career and you know the biggest thing is that you kind of waiting or your concern is always around the fall, and you don't want to necessarily take a massive risk when you are doing pretty well with what you are doing. Then you take a massive risk and it all falls apart...” (P1)
- “My perception of why people haven't done it is because their trajectory was so good already, so the need isn't there. It's almost like why (should one) risk potential success, to go into something you know that may not work.” (P7)

Six participants identified that they would start their business on the side and only after it has proven successful would they leave their corporate jobs. This can be seen as risk mitigation, or feasibility testing, considering one is gathering information and learnings, before quitting their regular wage job.

- “Do both jobs until you get traction and then make a call. You owe that to your family.” (P9)
- “I think I haven’t really identified any opportunities that I’ve felt like I can really take, and leave my job for at the moment. So what’s happened while I’ve been developing my career is I’ve launched quite a few successful mobile apps.” (P4)
- “I will stop the corporate job when the time management cannot be done anymore and the benefits of doing it alone or whatever the case may be, is better than that of being fully employed.” (P6)
- “It may get to the point where if it’s reaping the rewards I want, I will probably leave my current job but not leaving it to start it.” (P10)
- “That’s why my line of thinking is around get it set first, see it working, do your forecast and everything and then once I see that it is properly set up then I can focus on it fully.” (P5)

Some of the participants view businesses that are started on the side or done part-time as not being entrepreneurship.

- “Some of them do stuff on the side which are not going to be necessarily counted as a business.” (P1)
- “Do I do it half-half, because now I have this wonderful skills set so I should be able to juggle more? But an excellent investor looks at you and goes ‘well you are non-committal’ and it creates frustration on both sides. Because there are people who are willing to commit to a degree, and there are people who are willing to fund but only fund if you are in this thing. I think therein is a lack of ecosystem maturity – the entrepreneurs are not true entrepreneurs and the investors are asking for a lot more out of them but they are not getting it.” (P3)

5.3.3.5. *Result Conclusion: Research Question 3*

The summary of the result for research question 3 can be found in Table 10: Summary of Psychological Factor Results.

**Table 10:** *Summary of Psychological Factor Results.*

Factor	Summary
Perceived Feasibility	<ul style="list-style-type: none"> <li>• MBA graduates have confidence in their abilities, in one case an individual's belief in his ability was so strong that even if the start-up failed he felt that his skills and capabilities would allow him to find a new job in corporate if he so desired.</li> <li>• MBA graduates seem to review opportunities with their corresponding risk and if an opportunity is worth pursuing they refer to it as "calculated risk".</li> <li>• Individuals do not accept the risks involved, instead they reduce the perception of risk.</li> <li>• If there was any concern around capabilities three participants identified that they would consider purchasing a franchise as they see it as a proven concept or a packaged business construct with clean processes and therefore less risk.</li> </ul>
Perception of Risk	<ul style="list-style-type: none"> <li>• MBA graduates identified themselves as being adverse to risk, not being a risk taker or having low risk appetite.</li> <li>• They prefer the security of getting a salary every month, protecting their current financial wealth and being able to pay bills and provide for their basic needs.</li> <li>• Majority of the participants have a family and children and this seems to also play a major role in their level of risk that they are willing to take</li> <li>• The MBA Graduates seem to battle with reducing their perception of risk.</li> </ul>
Fear of Failure	<p>Fear of failure has been described as:</p> <ul style="list-style-type: none"> <li>○ Cost of failure</li> <li>○ Not being able to have a sustainable income,</li> <li>○ How it will reflect badly if they fail</li> </ul>
Appeal of Wage Employment	<ul style="list-style-type: none"> <li>• People are either unwilling to leave their wage job before the business they do part-time has proven successful</li> <li>• People's entrepreneurial needs are being met by corporate which is keeping them in corporate for longer or indefinitely.</li> </ul>



## 6. DISCUSSION

### 6.1. Introduction

The following chapter discusses the results in Chapter 5 in accordance with the research questions. The results will be examined against existing literature in order to highlight the key insights.

### 6.2. Research Question 1

The research question sought to determine what situational factors are impeding entrepreneurial intent. The factors that were categorised under situational factors were role models, knowledge and skill, support and access to finance. This section discusses the findings in relation to the theory, to determine if these factors are an impediment to entrepreneurial intent for South African MBA Graduates.

#### 6.2.1. Role Model

Liñán et al., (2011) argue that individual perceptions regarding role models and self-efficacy are the most important precursors of entrepreneurial intentions. Garo et al., (2015) is in agreement as their results found that students who were exposed to an entrepreneurial role model within their families displayed high entrepreneurial intent when compared to those who did not have a role model. The findings of this study identified two participants, P7 and P9, who identified that they did not have entrepreneurial role models growing up and also identified that they are currently still happy in their corporate jobs. This would appear to indicate that these specific participants have lower levels of entrepreneurial intent, which would seem to support the literature identifying role models as a precursor to entrepreneurial intent.

#### **Participant 7**

- “But no I didn’t really have any family members who were entrepreneurial or set that type of example, so that never was something I was massively cognisant of.” (P7)
- “...what I’m in at the moment [role in corporate organisation] is not even defined yet you know, as I could go into so many different things, and so to a large extent it addresses some of the entrepreneurial sort of excitement, but I’ve got access to a balance sheet, I’ve got access to IP, I’ve got access to good people and I’ve got a blueprint to sort of roll out...” (P7)

#### **Participant 9**

- “I do not feel that I had a lot of role models from an entrepreneurial perspective” (P9)
- “...what I am doing is incredibly entrepreneurial, so I am finding that it is ticking all the boxes that I need to fulfil myself, as an entrepreneur and it is also stable, so I

very much feel like I am getting the best of both worlds. What I am not getting is I am not building equity that is the only thing I am not going to get from this journey.” (P9)

The findings identified that the majority of the participants had role models who had influenced their behaviour. This was supported by Boyd & Vozikis (1994) who explained that people are influenced by their role models, through a process of social comparison. Individuals judge their own capabilities by comparing themselves to others, and they adopt a behaviour based on observation of family members or close friends.

Although the participants indicated that they observed their entrepreneurial family and friends, and witnessed the successes, benefits and perceived improvements in lifestyle, which successful entrepreneurship can create, these participants have still not adopted the behaviour of entering into entrepreneurship or are willing to take the risk. They still tend to find challenges, issues or reasons not to go into entrepreneurship. It was determined through the interview process that the observers (or participants), are more passive in their observation of these role models and do not necessarily act on learnings gained from these observations. Therefore, the participants appear not to be having explicit conversation with these entrepreneurial friends and family members, who may be able to actively encourage them to take risk and to ‘go out on their own’.

MBA graduates therefore do not regard role models as an impediment to entrepreneurial intent. However, this research report would like to further the understanding surrounding entrepreneurial intention, by noting the importance of explicit conversations required between potential entrepreneurs, and role models, to discuss the risks, challenges and benefits of entrepreneurship which may help further encourage these individuals to take the necessary entrepreneurial risk required.

Based on the data gained from the participants, their role models are obviously trusted sources of the participants, and the opportunity is thus provided to hold critical conversations with these role models (especially around topics/skills that cannot be observed). If these individuals have such direct exposure and access, it appears to be wasteful not to utilise such sources of information. Perhaps this could be the key to unlocking their intent into action.

### 6.2.2. Knowledge and Skill

Research identified that work experience, whether that person attended university and the level of study, had a significant influence on an individual's entrepreneurial intentions. (Ayyagari et al., 2014; Farrington et al., 2012; Lans et al., 2010).

All participants identified that their knowledge and skills were honed through university education and work experiences. The participants tested in the sample, are all currently working in corporate organisations, however some of the participants have previously started their own business, or had some exposure to entrepreneurship. University education and work experience appears to have given the participants the skill set and knowledge to start their own business. However, the participants decided to further their level of study by completing an MBA as they still felt that they could benefit further from learning additional skills, gaining knowledge and increase their confidence.

Several studies have argued that there is a significant variance between students who have been exposed to entrepreneurship education and their level of intention and those who do not (Ahmed et al., 2010; Fayolle & Liñán, 2014; Küttim et al., 2014; Martin et al., 2013). The finding of this study supports this theory, as the majority of the participants identified that the MBA degree and exposure to formal entrepreneurial education did assist in increasing their entrepreneurial intent, through discussions with class mates and theory learnt in class. Participant 3 indicated that the MBA helped him think entrepreneurially which allowed him to see opportunities around him, but that this also lead to a lot of confusion as it become overwhelming.

Researchers further argue that traditional education reduces vision and curiosity, increases risk aversion, decreases tolerance for ambiguity and leads to conformity which hampers students' overall entrepreneurial intentions and creative thinking abilities. This is caused by students being educated about the realities of entrepreneurship which may increase their entrepreneurial self-efficacy, but it also decreases the perceived desirability of starting a business. It is advised that universities and business schools revise their learning and teaching methods and curricula in order to encourage critical and innovative thinking (Gurel et al., 2010).

Although the majority of the participants identified that the formal entrepreneurial education they received through the MBA did increase their entrepreneurial intent, (as they became more aware of opportunities around them, exposed to networks and became more confident in their capabilities) there was some criticism regarding formal

entrepreneurial education within the South African business schools. Participant 1 argued that the South African MBA creates strong business leaders and managers, as there is a market demand for their skills, however that the South African MBA does not encourage individuals to take risks specifically around entrepreneurship. Participant 3 noted that formal education leads to formal employment, and that the current MBA courses do not necessarily encourage individuals to try something new. Participant 10 felt that she did not have the practical understanding or support on what steps to take next when starting a business. Therefore a key finding is that formal entrepreneurial education will encourage entrepreneurial thinking, however this may not be the best path to achieving entrepreneurial action.

The propensity to act is regarded as an individual's intention to complete or not complete an action; it is noted that entrepreneurial intentions precede entrepreneurial action (Malebana, 2014). Based on the responses from the participants, these individuals indicate that they have entrepreneurial intent, and can also attribute an increase in their intent, due to completing the MBA. However, analysis of the participants' responses identified that an MBA encourages entrepreneurial thinking but the participants still do not seem willing to take the crucial step of actually going into entrepreneurship. This can be explained by the participants interviewed having a low propensity to act, due to a decrease in their risk tolerance, as they are exposed to the risks and challenges associated with entrepreneurship.

This can also be attributed to formal education pushing individuals to be great employees rather than entrepreneurs. Kruss (2004), argued that South African business schools offer MBA courses to meet the demand of high-skilled occupations specifically in business and management.

The perception of MBA graduates are that they represent the corporate elite, and fall part of a privileged socio-economic group within South Africa (Kruss, 2004; Opoku et al., 2006). The sample in this report is therefore a subset of highly educated, privileged people, who are in high powered jobs and are seen as the elite within South Africa. The terms privileged and elite have been used to describe this sample, considering the participants have attended good schools, and most likely come from a relatively affluent background. The participants have access to finance or savings, which enabled them to study an MBA.

Consequently, life is very comfortable for the elite. There is a distinct lack of competition within organisations, and therefore little pressure on the elite to take risks. Within a highly unequal society, the elite have risen to the top largely because of a desperate skills shortage and a broken education system. The MBA qualification that separates the sample group, will put them in an even higher exclusionary skills bracket. While the sample may not be conscious of the fact, they are furthering themselves to secure their already protected position especially in the current South African context, which is regarded as a rational decision.

Although, they may earnestly believe they've done the MBA in order to enhance their appreciation of business, it is also to build a network that a large majority of the population will never be able to recreate. With exclusive networks, come the best opportunities. Given South Africa's skills shortage, should an individual have an MBA, an individual can still keep their job. Should they lose that job, it is probable that they will find another top job. Within South Africa, people with privilege, skills, networks and education easily become entrenched in corporate organisations.

This elite position protects these individuals from ever having to do anything risky, as they are in the prime of their careers and being rewarded well by corporates who are in need of competent people (Opoku et al., 2006). As a result, these individuals are not pressurised into taking the risky entrepreneurial route, as and they are not necessarily desperate to make more money to increase their wealth.

The participants' knowledge and skills are not an impediment to their entrepreneurial intent, as they obtain the necessary skills and knowledge required to start a business through work experience, university and by obtaining a MBA. An interesting insight identified in this research, was that some of the participants identified that instead of creating entrepreneurs, the MBA creates strong business leaders and managers. This was due to business schools not encouraging individuals to take risks specifically around entrepreneurship, or the provision of practical understanding or support on the steps to take when starting a business. This research report also noted that the MBA qualification within a South African context, sets this sample in a different skills bracket that is highly sort after by corporates, which reduces the pressure for these individuals to pursue a risky entrepreneurial route, and therefore reduces their propensity to act on this behaviour.

### 6.2.3. Support

Social norms, which refer to the perceived approval and social pressure from friends and family for an individual to perform a behaviour, such as starting a business, will influence their entrepreneurial intent (Ajzen, 1991). One finding of this report is that all participants identified that they did indeed have moral support from their family and friends to start their own business. Research also identified that support such as networks and mentorship support, was critical in increasing entrepreneurial intent. The findings of this report again supports the literature, as participants identified that they either already had a coach or mentor, saw the value in finding the right coach or mentor, or had the necessary network support to start their own business. Many of the participants identified that they have a good network because of their MBA friends.

Although the participants saw the value of a mentor or coach, only two participants actually had a mentor or coach. Similarly to the findings under the section “role models”, if these participants had a coach or mentor to discuss their entrepreneurial intent with, it could be the solution to pushing them to action.

Support is therefore not an impediment to entrepreneurship within the sample of MBA graduates, as the participants identified that they had the necessary support such as moral support from family and friends, network support from peers, colleagues, class mates and mentor or coach support.

### 6.2.4. Access To Finance

Insufficient access to finance is considered to be a significant factor that impedes entrepreneurship intent, considering that capital plays a vital part in business formation (Ayyagari et al., 2014). Although literature has identified access to finance a major impediment, the majority of the participants in this study did not find access to finance to be an impediment. However, the extent of the finance required based on the opportunity size may be a consideration. This may be due to this sample being an elite group of people who have access to finance, or have networks that can assist with finance. The majority of the participants also identified that they would prefer to be part-time entrepreneurs, and will therefore still receive a salary making them less financially constrained. Petrova (2012) findings revealed that individuals who are entrepreneurs' part-time, are not impacted by financial constraints.

Access to finance is not an impediment to MBA Graduates. Based on the data gathered from the participants this is due to this sample being an elite group of people who have

access to finance or have networks that can assist with finance or because the participants are aiming to be part-time entrepreneurs and will therefore still receive a salary making them less financially constrained.

#### 6.2.5. Conclusion: Research Question 1

This question sort to determine what situation factors impeded entrepreneurship intent within South African MBA Graduates. For a summary of the situation factors findings refer to Table 11: Summary of Situation Factor Findings.

**Table 11: Summary of Situation Factor Findings**

Factor	Impediment	Summary of Findings
Role Model	No	<ul style="list-style-type: none"> <li>This research report noted the importance of explicit conversations required between potential entrepreneurs, and role models, to discuss the risks, challenges and benefits of entrepreneurship which may help further encourage these individuals to take the necessary entrepreneurial risk required. Perhaps this could be the key to unlocking their intent into action.</li> </ul>
Knowledge and Skill	No	<ul style="list-style-type: none"> <li>An interesting insight identified in this research was that some of the participants identified that instead of creating entrepreneurs the MBA creates strong business leaders and managers. This was due to business schools not encouraging individuals to take risks specifically around entrepreneurship or the provision of practical understanding or support on what steps to take when starting a business.</li> <li>This research report also noted that the MBA qualification within a South African context, sets this sample in a different skills bracket that is highly sort after by corporates which reduces the pressure for these individuals to pursue a risky entrepreneurial route and therefore reduces their propensity to act on this behaviour.</li> </ul>
Support	No	<ul style="list-style-type: none"> <li>The participants identified that they had the necessary support such as: <ul style="list-style-type: none"> <li>Moral Support from family and friends</li> <li>Network Support from peers' colleagues, class mates etc.</li> </ul> </li> <li>Although the participants saw the value of a role model only two participants actually had a mentor or coach. Similarly to the findings under the section "role models", if these participants had a coach or mentor to discuss their entrepreneurial intent with, it could be the solution to pushing them to action.</li> </ul>
Access to Finance	No	<ul style="list-style-type: none"> <li>Majority of the participants in this study did not find access to finance an impediment.</li> <li>The extent of the finance required based on the opportunity size may be a consideration.</li> <li>Based on the data gathered from the participants this is not an impediment as this sample is an elite group of people who have access to finance or have networks that can assist with finance or because the participants are aiming to be part-time entrepreneurs and will therefore still receive a salary making them less financially constrained.</li> </ul>

Although research has identified the above four factors to be impediments to entrepreneurial intent, when analysing these factors within South Africa's unique social economic environment and considering the characteristics of the sample group, these factors do not influence MBA graduates entrepreneurial intent. Therefore the situation factors, which include role models, knowledge and skills, support and access to finance, do not impede MBA graduate's entrepreneurial intent.



### **6.3. Research Question 2**

The factors that were categorised under environmental factors are economic and market, institutions and policies, infrastructure, labour and culture. This section discusses the findings in relation to the theory, to determine if these factors are an impediment to entrepreneurial intent for South African MBA Graduates.

#### **6.3.1. Economic and Market Factors**

The decision to start a business depends on the opportunities provided by the economy and the market. An individual will gather the necessary information which will either translate into obstacles or advantages, and which will help that individual determine if the environment is favourable or not to start a business. Individuals who are decidedly self-confident are more inclined to perceive the environment as favourable, and they have an optimistic view about their future, which in turn has a positive effect on their entrepreneurial intent (Arrighetti et al., 2013). A majority of the participants aligned to this literature, as they identified the current South African economy and market to not be an impediment, considering they still identified opportunities in the current economic and market environment. Participant 1 and 3 noted that South Africa is a great place to start a business, as there are a lot of opportunities available. Participant 9 and 10 referred to the South African environment as fertile or right for growing businesses.

Economic and Market factors are therefore not an impediment to the sample of MBA graduates as majority of the participants identified that there were opportunities in the current economic and market environment. Although the participants acknowledge that the economic conditions are suitable to start a business, they have failed to make the leap into entrepreneurship. The reasons behind them not starting a business can be linked to their exclusive positions in corporate and there being no incentives to quit their well-paying jobs to start a potentially risky business.

#### **6.3.2. Institution and Policy**

Levie & Autio (2011) argue that regulatory burden and institutional performance can impede entrepreneurial intent. The majority of the participants in this study agree that South African institutions and policies have imposed increased administration on businesses through regulatory burden, and are therefore an impediment to their entrepreneurial intention.

Institutional barriers, which refers to regulations and lack of explicit support from public and private institutions can be a huge impediment to entrepreneurial intention (Arrighetti

et al., 2013). The participants have also identified that they do not feel that they have the necessary support from the South African institutions, with one participant explaining that the institutions are not pro-entrepreneurialism.

Entrepreneurial intentions precedes entrepreneurial action and the measure of willingness is associated with locus of control (LOC). (Malebana, 2014). LOC is defined as a fairly stable propensity to see the world in a particular way, and studies have discovered a strong relationship between entrepreneurial intent and LOC. Individuals who have internal LOC believe that their personal achievement and destiny is as a result of their own behaviour and action. These individuals are inclined to be more independent and self-reliant and are more suitable for entrepreneurship. Individuals with external LOC believe that events are not dependent on behaviour and action but rather are the results of external forces for instance the power of others, fate or the complexity of the world (Yildirim, 2007).

Participants mentioned that they regarded the South African government as being horrific, that the labour legislation is too strict and that South African institutions do not provide the necessary support for businesses. These responses can be interpreted from individuals with low LOC as they blame the environment around them, and are looking for excuses not to start their own businesses. This sample is made up of the elite within the country, they have connections and networks and in most cases have access to money that could be used to find a solution around these problems. However this does not seem to be their view point. To an outsider, these may be seen as excuses of someone who is looking for reasons not to become an entrepreneur.

There appear to be two kinds of working people; those who understand they are responsible for their lives (internal locus on control), and those who look to external circumstance to explain their reality (external locus of control). As an elite group, to blame institutions and policy can be deduced as a viewpoint of an individual borne of privilege, as few policies make it materially impossible to survive as a business.

Based on the responses received by the participants, institutions and policy factors have been identified as an impediment to the MBA graduates becoming entrepreneurs. The majority of the participants identified that the South African institutions and policies have imposed a regulatory burden on businesses, and that these institutions did not provide the necessary support, with one participant explaining that the institutions are not pro-entrepreneurialism.

This research noted that that within the South African context and considering the characteristics of the sample group, literature should incorporate institution and policy factors within the potential entrepreneur's locus of control. The sample within this research is made up of the elite within the country, who have connections and networks and in most cases have access to money that could be used to find a solution around these problems.

### 6.3.3. Infrastructure

Studies have identified that entrepreneurial intent decreases in environments that lack adequate physical (office space, roads, water, housing and traffic) and communication (mobile, broadband and digital networks) infrastructure (Feldman, 2014; Isenberg, 2010; Neck et al., 2004). The majority of the participants identified that the South African physical infrastructure is not an impediment to their entrepreneurial intention as they feel that there is adequate physical infrastructure within South Africa.

However, the majority of the participants have identified that communication infrastructure is an area of concern, specifically regarding technology and connectivity. Similarly, to the findings in the "institution and policy" section, an individual's level of control linked to entrepreneurship is important as if an individual looks for reasons to not do entrepreneurship in any country there will be reasons to not start a business but if an individual has a high locus of control, they will find a way to succeed (Yildirim, 2007). Infrastructure is not actually an impediment if the sample has the right networks and access to finance.

Physical infrastructure is not seen as an impediment, as the participants feel that it is adequately catered for in South Africa, and the government has invested aggressively over the past years. However communication infrastructure is seen as a impediment to their entrepreneurial intent.

#### 6.3.4. Labour Factors

Labour regulation has a major impact on individuals considering starting a business as they need to determine whether the necessary labour can be organised. A country that has strict labour regulations can create rigid labour pools that are difficult for potential entrepreneurs to access. Similarly, if labour regulation makes hiring and firing people a time-consuming and costly exercise, it signals to potential entrepreneurs that there is a huge cost to making mistakes whilst hiring. Therefore, strict labour regulations decreases an individual's entrepreneurial intent (Levie & Autio, 2011). The participants have identified that the current labour legislation has had an impact on the cost of labour, productivity of labour and the hiring and firing process which results in an impediment to their entrepreneurial intention.

Strict labour regulations becomes an even bigger problem when individuals require high-skilled labour, who would most likely have a good education, a good job and high status. In a highly regulated labour market, high-skilled individuals may perceive there to be high risk in leaving their currently secure job, because if something went wrong on the new opportunity, it may be difficult to get back into a similar job. This may impact a potential entrepreneur's ability to attract resources, and to commit their time or money to a new venture, or to convince potential employees of the venture's value and prospects. This will result in potential entrepreneurs considering whether there is a sufficient supply of high-skilled labour. Therefore skill shortage can be a strong impediment to entrepreneurship intent (Levie & Autio, 2011). The participants identified that the lack of skilled labour in South Africa and the quick turnaround of labour, does result in an impediment to entrepreneurial intent and is a strong driver of high labour cost, as the work will need to be outsourced to experts.

Labour is seen as an impediment to the MBA graduates entrepreneurial intention, as the strict labour regulations has had an impact on the cost of labour, productivity of labour, caused a lack of skilled labour and has increased the cost and administration of the hiring and firing process.

#### 6.3.5. Culture

Several studies have found a positive relationship between a country's cultural characteristics and its level of entrepreneurship. Cultural norms and value systems affect the acceptability and perceived utility of entrepreneurial activity. An individual's understanding is influenced by these social and cultural norms and values, and will therefore impact their decisions to start a business. A culture that is inclined towards uncertainty avoidance will have a lower probability of individuals within that culture, becoming entrepreneurs. This is because high uncertainty avoidance cultures are instead inclined towards strict organisational structures, experts and highly specialised career paths which is often unsuited to an entrepreneurial environment. An entrepreneurial environment requires general thinking, and a tolerance for uncertainty in order to see the developing patterns amid the uncertainty (Chaturvedi & Goyal, 2012).

When discussing entrepreneurship in South Africa with each of the participants, a common theme arose that South Africa's culture was perceived to breed this "self-fulfilling prophecy" of good employees or good corporate managers and leaders, which supports the literatures findings that South Africa has a high uncertainty avoidance culture. The common consensus was that unless the culture changes, then this culture of steady and safe employment will continue.

The South African context is very different to other countries where the entrepreneurial intent literature has been developed. Within the South African social economic environment, this sample of MBA graduates are not incentivised to play their part in helping grow the South African economy by starting and growing businesses. The behaviour of this sample to stay in corporate organisations is completely rational as the South African environment does not reward people for taking risks. The un-equal society and skill shortage results in this group of elite being viewed as highly skilled and valuable to corporate organisations. Therefore working for a corporate organisation allows this sample to avoid uncertainty, receive financial benefits and live comfortable lifestyle and as a consequence of this there is no pressure for these individuals to change their behaviour.

This research report noted the importance of considering the socio-economic factors within the environment and the characteristics of the sample that will impact on an individual's decision to start a business.

Culture is seen as an impediment to the MBA graduates entrepreneurial intention as the South African culture has a tendency towards uncertainty avoidance which has resulted in a low probability of individuals having strong entrepreneurial intent.

### 6.3.6. Conclusion: Research Question 2

This question sort to determine what environment factors impeded entrepreneurship intent within South African MBA Graduates. For a summary of the situation factors findings refer to Table 12: Summary of Environmental Factor Findings.

**Table 12: Summary of Environmental Factor Findings**

Factor	Impediment	Summary Of Findings
Economic and Market Factors	No	<ul style="list-style-type: none"> <li>Economic and Market factors are therefore not an impediment to the sample of MBA graduates as majority of the participants identified that there were opportunities in the current economic and market environment. Although the participants acknowledge that the economic conditions are suitable to start a business, they have failed to make the leap into entrepreneurship. The reasons behind them not starting a business can be linked to their exclusive positions in corporate and there being no incentives to quit their well-paying jobs to start a potentially risky business.</li> </ul>
Institutions and Policy	Yes	<ul style="list-style-type: none"> <li>South African Institutions and Policies have imposed a lot of regulatory burden on businesses</li> <li>The participants did not feel that they had the necessary support from the South African institutions, with one participant explaining that the institutions are not pro-entrepreneurism.</li> <li>This research noted that that within the South African context and considering the characteristics of the sample group, literature should incorporate institution and policy factors with the potential entrepreneur's locus of control. The sample within this research is made up of the elite within the country, and have connections and networks and in most cases have access to money that could be used to find a solution around these problems.</li> </ul>
Infrastructure	Yes & No	<ul style="list-style-type: none"> <li>Physical infrastructure is not seen as an impediment as the participants feel that it is adequate and the government has invested in it.</li> <li>Communication infrastructure is seen as an impediment.</li> <li>Similarly, to the findings in the "institution and policy" section, an individual's level of control linked to entrepreneurship is important as if an individual looks for reasons to not do entrepreneurship in any country there will be reasons to not start a business but if individual has a high locus of control they will find a way to succeed. Infrastructure is not really an impediment if the sample has the right networks and access to finance.</li> </ul>
Labour	Yes	<ul style="list-style-type: none"> <li>Strict labour regulations has had an impact on the:               <ul style="list-style-type: none"> <li>Cost of labour</li> <li>Productivity of labour</li> <li>Caused a lack of skilled labour</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Increased the cost and administration of the hiring and firing process</li> </ul>
Culture	Yes	<ul style="list-style-type: none"> <li>● The South African culture has a tendency towards uncertainty avoidance which has resulted in a low probability of individuals having strong entrepreneurial intent.</li> <li>● The South African environment does not reward people for taking risks, therefore working for a corporate organisation allows this sample to avoid uncertainty, receive financial benefits and live comfortable lifestyle and as a consequence of this there is no pressure for these individuals to change their behaviour.</li> <li>● This research report noted the importance of considering the socio-economic factors within the environment and the characteristics of the sample that will impact on an individual's decision to start a business.</li> </ul>

The responses from the participants has identified that four out of the five factors impede MBA Graduates entrepreneurial intent. Therefore the environmental factors which impede entrepreneurial intent within MBA graduates are institutions and policy, communication infrastructure, labour and culture.

This research noted that it is important to consider the socio-economic factors of a country, the characteristics of the sample group and the potential entrepreneur's locus of control when reviewing whether environment factors impede entrepreneurial intent.

The South African environment does not reward people for taking risks, therefore working for a corporate organisation allows this sample to avoid uncertainty, receive financial benefits and live comfortable lifestyle and as a consequence of this there is no pressure for these individuals to change their behaviour. This sample has connections and networks and in most cases have access to money that could be used to find a solution around the problems identified around the environmental factors. However this does not seem to be the participants view point. Based on these findings it can be deduced that it is likely that this sample of 'elites' will continue with the same behaviour that they have previously performed, and therefore are unlikely to go into entrepreneurship.

#### **6.4. Research Question 3**

The factors that were categorised fall under the following topics; psychological factors are perceived feasibility, perception of risk, fear of failure and appeal of wage employment. This section discusses the findings in relation to the theory, to determine if these factors are an impediment to entrepreneurial intent for South African MBA graduates.

##### **6.4.1. Perceived Feasibility and Propensity to Act**

Vroom (1964) expectancy theory argues that an individual will assess alternative behaviours, and select the behaviour that results in the most desirable outcome. Therefore the expected rewards are determined by the individual's perceptions of feasibility using their assessments of their ability and attitudes regarding the risk (Segal et al., 2002). Therefore, self-efficacy measures the feasibility of an opportunity which is influenced by the strength of a person's belief in their skills, their ability to perform entrepreneurial tasks, the obstacles identified, and the perceived availability of resources needed to start a business (Gasse & Tremblay, 2011).

The general consensus from the participants is aligned to the literature reviewed, as they feel the investment needs to be balanced against the perceived risk. Participant 1 and 2 summarised it best by explaining it as calculated risk. They therefore review opportunities with their corresponding risk, and if an opportunity is worth pursuing they refer to it as calculated risk. This aligns to Arrighetti et al. (2013) theory that individuals do not accept the risks involved, instead they have reduced the perception of risk.

The strength of a person's belief in their capabilities to perform various entrepreneur roles and tasks has a significant impact on entrepreneurial intent. Therefore, if people focus on raising their self-confidence in their knowledge, skills and ability to execute tasks successfully they will increase the perception of the opportunity and will have strong intention which may lead individuals to entrepreneurship, rather than seeking employment in organisations (Farrington et al., 2012; Kautonen et al., 2013; Shaw & Urban, 2011; Thompson, 2009; Van Gelderen et al., 2008). The finding of this study is in agreement with the literature as the participants highlighted that they had more self-confidence in their skills and capabilities relating to entrepreneurship. Participant 3 summarised the findings nicely by explaining that the MBA helped increase his confidence in his skills and abilities, which in turn also increased his entrepreneurial intention.



Research has found that Individuals with higher quantities of human capital have greater self-confidence, allowing them to consider entrepreneurship. Consequently, these individuals may feel that the risks are lower for them as if their business opportunity fails they can easily be re-absorbed by the labour market (Davidsson & Honig, 2003). Participant 1 agreed with this as he explained that his belief in his ability was so strong that even if the start-up failed his skills and capabilities would allow him to find a new job in corporate, if he so desired.

Individuals are drawn to franchise businesses because of the business package it comes with, which includes the franchisor's processes and capability learning, which is regarded as being invaluable, especially to those that have limited or no experience and knowledge in the specific kind of business. The advantages of running a franchise is that it has a proven business concept, ongoing franchise support a recognised trade name and economies of scale (Tuunanen & Hyrsky, 2001). Participants identified that they would consider purchasing a franchise as they see it as a proven concept or a packaged business with clean processes and therefore less risk. This sample is also older as they are generally in their mid-thirties, and so their risk profile has changed; they are not as risk seeking, and they do not want to leverage what they have worked so hard for over the years, to start something from scratch on something that may or may not work. For this reason the franchise option or buying an existing business seems more attractive to this sample.

In analysing the participant's response, there is a question that arises around why these individuals have not started a business. Any business is feasible provided the effort is put into making it profitable but these individuals have still not made the jump into entrepreneurship. The participants level of LOC linked to entrepreneurship is a reoccurring theme, as in any country there will be reasons to not start a business but if an individual has a high LOC they will find a way to succeed (Yildirim, 2007). Based on Malebana, (2014) definition of propensity to act it would seem that the participants seem sincere about their entrepreneurial intent but unconsciously it would seem that they do not have the intention to act on this intent.

Perceived feasibility is not seen as an impediment to the MBA graduates entrepreneurial intention, as the MBA graduates have confidence in their abilities. In one case the individual's belief in his ability was so strong, that even if the start-up failed he felt that his skills and capabilities would allow him to find a new job in corporate if he so desired. MBA graduates seem to review opportunities with their corresponding risk and if an

opportunity is worth pursuing they refer to it as “calculated risk”. Therefore individuals do not necessarily accept the risks involved, instead they reduce the perception of risk. If there was any concern around capabilities, three of the participants identified that they would consider purchasing a franchise, as they see it as a proven concept or a packaged business construct with clean processes, and therefore less risk. Although the participants seem sincere about their entrepreneurial intent, when the responses are analysed against the LOC and propensity to act literature, it emerges that unconsciously these participants do not have the intention to act on this intent.

#### 6.4.2. Perception of Risk

Studies have identified risk-taking propensity to influence entrepreneurial intention. This is due to the fact that starting a business involves psychological financial and social risks and it is only those who can tolerate risk taking, that usually decide to start a business (Gurel et al., 2010).

This theory may be true in other contexts, however not all contexts are equal. Within the context of South Africa, entrepreneurship and risk taking are not necessary incentivised. This sample group is older than the ages analysed in the literature. As such, their risk profile has changed, and they are not as risk seeking and do not want to risk losing their savings. These individual have also had a lifetime of privilege, and risk avoidance, and therefore are unlikely to start now that they are older (average age 34), with expectations of increases in their already lofty salaries, all whilst having a family and children. The risk to the individual of becoming an entrepreneur, are just too high.

An individual’s entrepreneurial intent can be impacted negatively by work–family conflict, and family role demands. This depends on the number and ages of dependent children, marital status and relative salience of family (Shelton, 2006). Similarly, Dohmen et al. (2011) identified that an individual’s willingness to take risks decreases with the number of children they have. It was noted that the majority of the participants have a family and kids, and this seems to play a major role in their level of risk, that they are willing to take and therefore is a huge impediment to their entrepreneurial intent.

A preference for financial security is linked to critical risks involved in entrepreneurship, and is the reason for many individuals being put off by the thought of starting their own business. (Farrington et al., 2012; Van Gelderen et al., 2008). The participants in this study identified financial stability as very important to them which is aligned to the literature. The risk of leaving a world of security and certainties, and going into the

unknown, puts a lot of pressure on them psychologically. These individuals prefer the security of getting a salary every month, protecting their current financial wealth and being able to pay bills and provide for their basic needs.

Perception of risk is an impediment to the MBA graduates entrepreneurial intention, as the MBA graduates identified themselves as being adverse to risk, not being a risk taker or having low risk appetite. They prefer the security of getting a salary every month, protecting their current financial wealth and being able to pay bills, to provide for their basic needs. The majority of the participants have a family and kids and this seems to also play a major role in their level of risk that they are willing to take Therefore the MBA graduates seem to battle with reducing their perception of risk.

#### 6.4.3. Fear of Failure

Individuals experience fear concerning the potential failures of the businesses whether it be small or large failures. Individuals could have fears around not being paid, losing a client, running out of cash flow, or the fear of not being able to spend enough time with family, friends and loved ones. For these reasons literature has identified fear of failure as a barrier to entrepreneurial intent (Cacciotti & Hayton, 2015). All participants identified that fear of failure does come into play when determining whether or not to start a business. The types of fear that was identified was the cost of failure, not being able to have a sustainable income and how it will reflect on them if they fail.

These individuals are highly educated; if they attempted entrepreneurship and subsequently failed, it would not be difficult for them to get a corporate job. However they have had a lifetime of not risk avoidance, and so nothing is driving them into risk taking in the future. The individuals question why they would risk failure, when the majority have families and demands to meet. Therefore, it is clear that the fear of failure is an impediment to MBA graduates entrepreneurial intention.

#### 6.4.4. Appeal of Wage Employment

Corporate entrepreneurship arises when organisations promote and benefit from entrepreneurial thinking from their employees and managers to ensure future growth in an uncertain world which is constantly changing. This is done by cultivating a creative and entrepreneurial culture, by encouraging corporate entrepreneurial activities and to develop an ideal work environment through networking, open communication, support from human resource practices and flexibility (Van Wyk & Adonisi, 2012). Studies have found that individuals are drawn to the concept known as 'intrapreneurship', as they

usually display a lower risk tolerance, are motivated by the share of profits or bonus they expect to receive for successful work, or projects performed, and the perceived flexibility in their work orientation. The flexibility work orientation is attractive as it often allows individuals to self-organise themselves at work, have a self-directed career path and self-directed learning activities (Douglas & Fitzsimmons, 2013).

Entrepreneurially driven people often leave their corporate jobs to start their own businesses, as they wanted more autonomy, decision making authority, access to money to drive their ideas or long term investments. This sample of MBA graduates are however not incentivised to take a risk, and our country's policies are not designed to incentivise them to take a risk on entrepreneurship, when there is currently a skills shortage in South Africa. Corporates are locking in the MBA graduates with great packages and strict contracts for long periods of time.

Corporate organisations have also evolved over time, and have begun introducing an entrepreneurial culture in order to allow individuals to be more entrepreneurial in a corporate setting. They provide individuals with flexibility to dictate their career path, the learnings they'd like to gain, and their working time. The work tasks given to these individuals are often challenging and therefore excite them, whilst still being low risk for the individual. Therefore, a majority of their entrepreneurial needs are being met, providing this sample with little motivation to leave and start a business.

Part-time entrepreneurs or hybrid entrepreneurs are individuals who are employed and have a regular wage job, however they dedicate the rest of their time to their business or entrepreneurial activities. These individuals do not quit their regular job, as they do not feel that they need to put their "certain" wages from paid employment at risk. The Real Option Theory explains that individuals are able to make a small initial investment in a business opportunity and then learn and collect information, which reduces the uncertainty linked to the investment, before making a decision to make larger investments. These individuals often view this as the first step along the path to full-time self-employment (Petrova, 2012; Raffiee & Feng, 2014)

The individuals that have thought about starting a business would still not leave their corporate jobs as they would do it part-time. Only after the venture has proven successful would they consider leaving their corporate jobs. This supports the literature that these individuals would like to gather information and learnings before they quit their regular wage job.

The appeal of wage employment is seen as an impediment to the MBA graduates entrepreneurial intention, as people are either unwilling to leave their wage job before the business they do start part-time has proven successful, or their entrepreneurial needs are being met by corporate which is keeping them in corporate for longer or indefinitely.

#### 6.4.5. Conclusion: Research Question 3

This question sort to determine what psychological factors impeded entrepreneurship intent within South African MBA Graduates. For a summary of the psychological factors findings refer to Table 13: Summary of Psychological Factor Findings.

**Table 13:** Summary of Psychological Factor Findings

Factor	Impediment	Summary
Perceived Feasibility and Propensity to Act	Yes	<ul style="list-style-type: none"> <li>• MBA graduates have confidence in their abilities, in one case an individual's belief in his ability was so strong that even if the start-up failed, he felt that his skills and capabilities would allow him to find a new job in corporate if he so desired.</li> <li>• MBA graduates seem to review opportunities with their corresponding risk, and if an opportunity is worth pursuing they refer to it as "calculated risk".</li> <li>• Individuals do not accept the risks involved, instead they reduce the perception of risk.</li> <li>• If there was any concern around capabilities, three participants identified that they would consider purchasing a franchise as they see it as a proven concept, or a packaged business construct with clean processes and therefore less risk.</li> <li>• Although the participants seem sincere about their entrepreneurial intent, when the responses are analysed against the LOC and propensity to act literature, it emerges that unconsciously these participants do not have the intention to act on this intent.</li> </ul>
Perception of Risk	Yes	<ul style="list-style-type: none"> <li>• MBA graduates identified themselves as being averse to risk, not being a risk taker or having low risk appetite.</li> <li>• They prefer the security of getting a salary every month, protecting their current financial wealth and being able to pay bills, and provide for their basic needs.</li> <li>• Majority of the participants have a family and children and this seems to also play a major role in their level of risk that they are willing to take</li> </ul>



		<ul style="list-style-type: none"><li>• The MBA Graduates seem to battle with reducing their perception of risk.</li></ul>
Fear of Failure	Yes	<ul style="list-style-type: none"><li>• These individuals have had a lifetime of not taking risk, with little motivation to begin. They question why they should risk failure, when 80% of the participants have dependents in the form of a spouse or children.</li></ul>
Appeal of Wage Employment	Yes	<ul style="list-style-type: none"><li>• People are either unwilling to leave their wage job before the business they do part-time has proven successful</li><li>• People's entrepreneurial needs are being met by corporate which is keeping them in corporate for longer or indefinitely.</li></ul>

Research has identified that four out of the four factors impede MBA Graduates entrepreneurial intent. Therefore the psychological factors which impede entrepreneurial intent within MBA graduates are Propensity to Act, Perception of Risk, Fear of Failure and Appeal of Wage Employment.

## **7. CONCLUSION**

### **7.1 Introduction**

The previous chapter discussed the results obtained against the literature review, and the research questions. The following chapter will revisit the research objectives of this research report and compare these objectives with the results. This chapter aims to consolidate all of the discussions and results, into a cohesive set of key findings.

This chapter seeks to take the key findings and results, and to provide a view on the implications to MBA Graduates with entrepreneurial intent. This chapter concludes with the research limitations and implications for future research.

### **7.2 Research Background and Objectives**

The research motivation was clear; in a country that is plagued by high unemployment and has experienced a drop in entrepreneurial intention, a better understanding is required around the factors preventing potential entrepreneurs from starting their own businesses.

The researcher's objective was to develop a checklist or framework that identified the factors that impeded MBA graduates. The sample of MBA graduates was selected considering that they represented an elite group, that was assumed to have the necessary factors (such as being highly educated, owning critical skills and knowledge required, had access to finance and access to networks), required to start a business and would therefore be the most likely candidates to start a business.

The objective of this study is to assess the extent to which factors identified in the literature review impede entrepreneurial intent and whether individual perceptions, fear of failure, risk aversion attitude and a feeling of lacking relevant expertise and experience are identified as the critical impeding factors.

### 7.3 Key Findings

The assumption behind the sample selection was that the MBA graduates would be the perfect demographic to become entrepreneurs within the South African society. It has been determined by this thesis that this assumption is incorrect. The reasons for this is based on the following:

- MBA graduates risk profiles
- South African socio-economic environment
- Locus of control and propensity to act

#### 7.3.1 MBA Graduate Risk Profile

The MBA graduates have enjoyed a lifetime of privilege with little risk taking, and therefore are becoming less and less likely to start businesses now that they are older (average age 34 within the sample). These people receive good salaries, have families and children, and are many personal commitments (e.g. bonds to pay). The risks associated with becoming an entrepreneur for these individuals are very high.

The MBA graduates identified themselves as being averse to risk, not being a risk taker at all, or as having low risk appetite. They prefer the security of receiving a salary every month, protecting their current financial wealth and being able to pay bills and provide for their basic needs. The majority of the participants within the sample have families and dependants to take care of, and this seems to also play a major role in their risk profiles, and the amount of risk that they are willing to take. Therefore the MBA Graduates seem to battle with reducing their perception of risk when it relates to entrepreneurship. It appears that entrepreneurship is regarded as being risky when compared to their current jobs.

MBA graduates are highly educated; should they attempt entrepreneurship and subsequently fail, it would not be difficult for them to go back into the job pool, and receive a corporate job. However they have had a lifetime of not taking risk, and therefore little motivation exists for these people to start taking risks as they get older. This demographic question why they should risk failure, when 80% of the participants have dependents in the form of a spouse or children. Therefore the fear of failure often prevents these individuals from trying in the first place.



### 7.3.2 South Africa's socio-economic Environment

The South African culture appears to have a tendency towards uncertainty avoidance, which has resulted in this “self-fulfilling prophecy” of South Africa creating good employees or good corporate managers/leaders. This phenomenon lowers the probability of individuals having strong entrepreneurial intent.

This research report noted that instead of creating entrepreneurs, the MBA creates strong business leaders and managers. This was due to business schools not encouraging individuals to take risks specifically around entrepreneurship or the provision of practical understanding or support on what steps to take when starting a business.

The perception of MBA graduates are that they are the corporate elite, and that they fall part of a privileged socio-economic group within South Africa (Kruss, 2004; Opoku et al., 2006). MBA graduates are therefore a subset of highly educated, privileged people, who are in high powered jobs and are seen as the elite within South Africa. The terms privileged and elite, have been used to describe this group as the participants have attended good schools, and most likely come from affluent backgrounds. In order to get into university and the MBA, these people require access to finance or savings which enabled them to study an MBA. In either case, they are deemed to be privileged.

The South African socio-economic environment is highly unequal, and suffers from severe skill shortages. MBA graduates are leaving business schools as highly sourced commodities that corporate organisations no doubt require. Consequently, life within a salaried job is very comfortable for the elite; they have stable jobs within corporates, and there is almost no pressure on the elite to take risks and move into entrepreneurship.

The risks of becoming entrepreneurs for the individuals in question is just too high. They are therefore either unwilling to leave their wage job before the business they start part-time succeeds, or their entrepreneurial needs are being met by their corporate jobs. This will result in keeping them in their corporate roles for longer, or indefinitely.

### 7.3.3 Locus of Control and Propensity to Act

Although the participants acknowledge that the South African economic conditions are suitable to start businesses, they have failed to make the leap into entrepreneurship. The reasons behind them not starting a business can be linked to their exclusive positions in corporate, and there being no incentive to quit their well-paying jobs to start a business.

This research noted that that within the South African context, and considering the characteristics of MBA graduate, literature should incorporate environmental factors within the potential entrepreneur's locus of control. MBA graduates are the elite within the country, they have connections and networks and in most cases have access to finance that could be used to find a solution around the problems identified for environmental factors (such as regulation barriers, lack of institution support, inadequate communication infrastructure etc.). However this does not seem to be their view point. To an outsider, this may be seen as an excuse for someone who is looking for reasons not to become an entrepreneur.

MBA graduates may have entrepreneurial intent, however the locus of control and propensity to act literature identifies that these participants may not have the intention to act, due to their currently comfortable lifestyles.

#### 7.3.4 Conclusion of Key Finding

This research noted that it is important to consider the socio-economic factors of a country, the characteristics of the sample group analysed and the potential entrepreneur's locus of control and propensity to act when determining impediments to entrepreneurial intent.

### **7.4 Recommendations**

Recommendations have been identified for university and business schools, potential entrepreneurs and corporate organisations.

#### 7.4.1 Universities and Business Schools

Universities and business schools in South Africa are perceived to produce good managers & employees. It is recommended that schools revise their curriculum, their learning and teaching methods in order to encourage not just entrepreneurial thinking or intent, but to encourage entrepreneurship action.

#### 7.4.2 Potential Entrepreneurs

This research report noted the importance of explicit conversations required between potential entrepreneurs and role models, mentor or coaches, to discuss the risks, challenges and benefits of entrepreneurship, which may help further encourage these individuals to take the necessary entrepreneurial risk required.

Role models, coaches and mentors are regarded as trusted sources, and the opportunity is thus provided to hold critical conversations with these role models (especially around topics/skills that cannot be observed). If potential entrepreneurs have such direct exposure and access, it appears to be wasteful not to utilise such sources of information. Perhaps this could be the key to unlocking their intent into action.

Young people should be encouraged and given the opportunities to be entrepreneurs prior to reaching the MBA demographic.

#### 7.4.3 Corporate Organisations

Corporate organisations that wish to hold onto MBA graduates who have entrepreneurial intent should introduce an entrepreneurial culture, encouraging individuals to be more entrepreneurial in a corporate setting. They should consider providing individuals with flexibility to dictate their career path, the learnings they'd like to gain, as well as their working hours. The work tasks given to these individuals should excite and challenge the individuals. By incorporating a flexible work orientation, an entrepreneurial culture and challenging tasks, these factors may potentially meet the majority of their entrepreneurial needs, giving them little motivation to leave and start a business.

#### 7.4.4 Society

Society needs to promote the acceptability and perceived utility of entrepreneurial activity and determine ways to reduce judgement when an entrepreneur fails.

### **7.5 Limitations**

The limitations of this study are discussed below:

The researcher found a lack of focus on emerging market literature as the majority of the literature identified relied on Western literature.

The researcher's personal bias is a limitation, due to the exploratory and the interview-based design of the research report. There is a risk of personal bias entering as a consequence of assumptions, perceptions and interpretations made. To minimise this bias, the transcribed interviews were triangulated across the samples and literature to support the findings.

The sample was restricted to two business schools in Gauteng. This limits the extent to which research can be generalised and used in other regions and other business schools.

## **7.6 Implications for Future Research**

The implication for future research are discussed below:

This research study identified factors impeding MBA graduate's entrepreneurial intent. It would be interesting to extend this research further to identify successful entrepreneurs that have an MBA, and to identify their critical success factors.

The finding of this report determined that MBA graduates did not have incentives to leave corporate and enter entrepreneurship. A future research recommendation could be to identify what incentives are required to encourage MBA graduates to leave corporate, and to start their own businesses.

This research report questions whether the MBA graduates will actually act on their entrepreneurial intention. Based on this question a recommended future study is a longitudinal study of MBA graduates that examines the relationship between entrepreneurial intent and behaviour over time.

The field of corporate entrepreneurship has become an important topic specifically as corporates are trying to retain MBA graduates. Further research recommended in this field is to investigate how corporates manage entrepreneurial people who may be regarded as part-time employees.

The concept of the part-time entrepreneur was raised in this study. The question arises whether this type of entrepreneurship is successful when the individual has to split their time between corporate work and the entrepreneurial venture. A recommended future study is to measure the success rate of hybrid entrepreneurs.

## **7.7 Conclusion**

The objective of this research was to assess the extent to which factors identified in the literature review impede entrepreneurial intent and whether individual perceptions, fear of failure, risk aversion attitude and a feeling of lacking relevant expertise and experience were identified as the critical impeding factors.

The findings of the research identified that the assumption behind MBA graduates being the ideal demographic to become entrepreneurs within South African was incorrect. The reasons for this is based on the risk profile of MBA graduate, the socio-economic factors of the country relating to the high-skilled MBA graduates, and the potential entrepreneur's locus of control and propensity to act on entrepreneurial behaviour.

An MBA graduates risk profile is determined by their ages (average age was 34 years old), statuses such as being married with children (80% of participants had dependents) and financial obligations (such as bonds and school fees). These factors contributed to these individual's being risk averse to starting their own business.

The South African socio-economic environment views MBA graduates as an elite, as they are highly skilled and in demand within the corporate environment. Consequently, life is very comfortable for the elite; they have stable jobs, good salaries with no pressure to take risks and move into entrepreneurship.

MBA graduates may have entrepreneurial intent, however their locus of control and propensity to act, identifies that these participants may not have the intention to act on due to their comfortable lifestyles.

Therefore the risk profile of the MBA graduate, the socio-economic factors of the country relating to the high-skilled MBA graduates, and the potential entrepreneur's locus of control and propensity to act were the three key findings that impede MBA graduate's entrepreneurial intent.

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## **APPENDIX 1: SEMI STRUCTURED INTERVIEW GUIDE**

### **Theme 1: Situational Factors**

1. Can you tell me about your background?
  - a. PROBE: Where did you study (primary school / high school / university / business school)? What is your work experience? What is your current career? What knowledge and skills have you gained? What culture did you grow up in?
2. Do you have friends or family who have become entrepreneurs?
  - a. PROBE: How many entrepreneurs do you know in your personal networks? Did you have a role model growing up that had started his/her own business?
3. What experiences can you share that gave you the idea you wanted to be an entrepreneur?
4. Can you tell me about your decision to go to a business school and its impact on your entrepreneurial intention?
5. Do you have the support to start your own business?
  - a. PROBE: Do you have access to finance? Do you have family support? Do you have community support? Do you have network support? Do you have mentorship? Do you have moral support? Do you have social support?

### **Theme 2: Environmental Factors**

6. What are your feelings about our current economic challenges and entrepreneurship – does this in any way influence your decision to start a business?
7. Has South Africa's institutions and policies had any impact on your decision to start a business?
8. Does South Africa's Infrastructure in any way influence your decision to start a business?
9. Does your business require skilled or non-skilled labour and how easy or hard do you feel it will be to hire the right people?

### **Theme 3: Psychological Factors**

10. What are your perceptions and attitude towards entrepreneurship?
11. What is your risk appetite and does this in any way influence your decision to start a business?
12. What concern arise when you consider leaving your current job to start your own business?
13. What fears arise when you consider starting your own business?

### **General**

14. Is there anything else you would like to add?

## APPENDIX 2: INFORMED CONSENT LETTER

Dear Sir/Madam,

I am conducting research on the impediments affecting entrepreneurial intent in South African MBA graduates. I am interested in interviewing MBA graduates who have entrepreneurial intent but have not started their own business since completing their MBA studies. Your personal views and experience on the subject will be invaluable in helping us understand the factors accelerating or inhibiting entrepreneurial intent.

The interview is scheduled to last approximately one hour and to facilitate the interviewer, the interview will be recorded. All information will be kept confidential and your name and details will be kept anonymous.

**Your participation is voluntary and you can withdraw at any time without penalty.**

If you have any concerns, please contact my supervisor or myself. Our details are provided below.

Researcher name: Tracy Robinson  
Email: 15392172@myGIBS.co.za  
Phone: 078 638 5144

Research Supervisor: Brett Wilks  
Email: brett.wilks@sametal.co.za  
Phone: 083 309 5595

## APPENDIX 3: ETHICS CLEARANCE LETTER

Dear Miss Tracy Robinson

Protocol Number: **Temp2016-01557**

Title: **Impediments Affecting Entrepreneurial Intent in South African MBA Graduates**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

Adele Bekker

## **APPENDIX 4: ATLAS.TI CODES**

Q1: Access to Finance  
Q1: Entrepreneurial Education  
Q1: Entrepreneurial Exposure  
Q1: Knowledge and Skill  
Q1: Role Model  
Q1: Support  
Q1: Work Experience  
Q2: Culture  
Q2: Economic Factors  
Q2: Infrastructure  
Q2: Institutions & Policy  
Q2: Labour Factors  
Q2: Market Factors  
Q3: Fear of Failure  
Q3: Motivation  
Q3: Perceived Feasibility & Propensity to Act  
Q3: Personality Traits  
Q3: Psychological factors  
Q3: Risk Perception  
Q4: Challenges  
Q4: General Sentiments  
Start a Business On the Side  
Start a Franchises  
Corporate Appeal  
Type of Entrepreneurship  
Risk Appetite  
Risk: Dependencies  
Risk: Stability  
Risk: Variation  
Motivation: Community  
Motivation: Corporate Culture  
Motivation: Corporate High Performance  
Motivation: General  
Motivation: Needs Met By Corporate  
Motivation: Personal Fulfilment and Control  
Motivation: Supplement income / Financially Independent