# ENTREPRENEURIAL PASSION, PERCEIVED UNIVERSITY SUPPORT AND FAMILY BACKGROUND ON CHINESE STUDENTS’ INTENTION AS ENTREPRENEUR

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**Abstract**

This study aims to investigate the reasons for the low entrepreneurial intention of college students in China. Currently, with China's low employment rate, entrepreneurship is one of the effective ways to increase employment. Although the government has introduced various entrepreneurship programs and initiatives, the effect is still not enough. The purpose of this research is to identify the factors affecting Chinese college students' entrepreneurial intention by studying the effects of entrepreneurial passion, family background, and perceived university support on entrepreneurial intention, and to propose effective suggestions to encourage more college students to start businesses. In this study, 131 valid data were finally collected through a survey of university students in different regions of China. And through the use of multiple regression and other questionnaire survey methods to analyze the questionnaire data. The research design will use a quantitative approach and use appropriate statistical methods to collect and analyze data. The results show that entrepreneurial passion, perceived university support, and family background have a significant effect on entrepreneurial intention. This study also found that all independent variables can affect entrepreneurial intention simultaneously. The implications of this study extend to various stakeholders, including universities, government, society, and families. The findings from this study will inform and support the development of targeted initiatives. To enhance Chinese university students' entrepreneurial intentions.

**Keywords:** Entrepreneurial intention, entrepreneurial enthusiasm, family background, perceived university support, Chinese students.

# 1. Introduction

Entrepreneurial activity has long been recognized as one of the strong drivers of national growth and job creation (Vatavu, 2022). In recent years, with the recovery of China's economy, some new economic growth points have also given a boost to economic development. Economic development and new growth points urgently need new enterprises to inject strength, so entrepreneurial activities have become very important at present. In addition, due to industrial transformation and industrial upgrading, some enterprises have closed down, leading to an increase in the number of unemployed. According to data from the China National Bureau of Statistics, China's unemployment rate will reach 5.5% in 2022, and the unemployed population will reach 10.4 million (Jun, 2022).

In the face of so much unemployment, it is increasingly urgent to boost the entrepreneurial activities of the population and enhance their entrepreneurial awareness. Among entrepreneurs of all ages, college students have been a major part of entrepreneurship due to their knowledge reserves and family support (Harima, 2021), and they are also the group of people most likely to succeed in entrepreneurship. However, according to data, there will be nearly 10.76 million college graduates in China in 2022, of which 41.42% will choose corporate jobs, 34.27% will choose graduate entrance exams, 17.57% will choose government jobs, and only about 4.25% will choose entrepreneurship which has received attention from the public, attributing the cause to the lack of good entrepreneurship education (Genoveva & Kartawaria, 2020; Shah, 2020; Yousaf, 2022). To that end, many universities and government agencies in China have launched entrepreneurship incentive programs, including on-campus lectures, entrepreneurship practices, entrepreneurship courses, and others, to encourage students to start their own businesses. Nonetheless, the willingness of Chinese college students to start a business is still very low (Hasse, 2020).

Therefore, it is crucial to have a deep understanding of the reasons affecting Chinese college students' entrepreneurial enthusiasm. This will help the government and universities to develop more targeted strategies. Starting from the external environment, this paper mainly examines the influence of entrepreneurial passion, perceived university support and, family background on college students' entrepreneurial intention, and further analyzes the main factors affecting college students' entrepreneurial intention.

Based on the background analysis above, we formulate the research objectives as follows:

1. Finding the influence of entrepreneurial passion on entrepreneurial intention
2. Finding the influence of perceived university support on entrepreneurial intention
3. Finding the influence of family background on entrepreneurial intention
4. Finding whether entrepreneurial passion, perceived university, and family background influence entrepreneurial intention simultaneously.

This article is divided into five sections. The first section is the introduction, which introduces the research background and research objectives. The second section is the literature review, which summarizes previous studies on factors affecting entrepreneurial intention. The third section is the research design, which includes research methods, data collection and data analysis. The fourth section presents the results of the analysis and discusses the findings related to the research objectives. The last section is the conclusion, which summarizes the main findings of the study, discusses implications for policy and practice, and proposes directions for future research.

# 2. Literature review

Entrepreneurship is the creation of one or more businesses while building and scaling them to generate profits (Galvao et al, 2018). In the process of creating profits, it usually drives economic development and employment. Therefore, an increase in the number of companies in a country can indicate the economic growth of a country, so the government encourages the growth of the number of entrepreneurs through various efforts (Genoveva, 2019). China has tried various ways to increase the number of entrepreneurs, improve its economic strength, and alleviate the employment problem, but the results are not satisfactory. If this situation worsens, it may cause serious problems in education, health, and people's daily needs (Genoveva & Kartawaria, 2020). Therefore, finding factors that influence entrepreneurship is crucial to solving the problem.

**Entrepreneurial Passion**

Entrepreneurial passion, defined as a strong and persistent desire to create, innovate and build something new, has been identified as a significant predictor of entrepreneurial intention (Anjum et al., 2021). Entrepreneurial enthusiasm mediates between personal factors and intentions, and is a precursor to the structures that influence entrepreneurial intentions (Murnieks et al., 2014). Entrepreneurial enthusiasm can be measured using self-reported surveys, standardized instruments such as enthusiasm scales, or behavioral indicators such as time spent on entrepreneurial activities.

**Perceived University Support**

University support for entrepreneurship has also been found to be a significant predictor of entrepreneurial intentions (Genoveva & Gaby, 2019). University support refers to entrepreneurial guidance for students, such as providing entrepreneurship funds and entrepreneurship mentorship (Ayad, Sobaih & Elshaer, 2022), which can help prospective students to start and develop their own businesses. Entrepreneurship education can enhance students' entrepreneurial enthusiasm through various activities, enable students to have a more objective understanding of entrepreneurship and improve students' entrepreneurial skills. Some researchers believe that students who participate in entrepreneurship education are more likely to choose entrepreneurship in terms of career choice and have a higher success rate (Longva 2019). Perceived college support can be measured using self-report surveys or standardized instruments such as the College Entrepreneurship Support Scale.

**Family Background**

Family background has been identified as a significant predictor of entrepreneurial intention (Joseph, 2012; Neneh, 2017; Genoveva, 2019). Family background refers to the entrepreneurial history of the student's family and the efforts of family members to support entrepreneurship. In Hoffman et al.'s research analysis, parental occupation has an influence on students' entrepreneurial tendencies. He pointed out that if parents are in business, their children have a strong propensity for entrepreneurship. At the same time, some researchers show that students' family background is negatively correlated with their entrepreneurial intentions. The poorer the college students are, the more they expect to change their lives through entrepreneurship (Chen Jin, He Dan, Qiu Jiaming, 2007). Family background can be measured using self-reported surveys or interview questions.

**Entrepreneurial intention**

Entrepreneurial intention is the most widely used endogenous variable in entrepreneurship research. It refers to an individual's cognitive state that represents a conscious decision to initiate and pursue new business ventures. (Guerrero, Rialp & Urbano, 2008) It is also complex and unpredictable because it involves various interacting factors (Nabi, Holden & Walmsley, 2006). Usually, the fundamental purpose of an entrepreneur is to make a profit. That's not the only entrepreneurial motivation. Some scholars pointed out that the purpose of entrepreneurship also includes other factors such as a sense of accomplishment and a sense of morality. Entrepreneurial intentions matter because it is a key predictor of actual entrepreneurial behavior (Amofah, Saladrigues, & Akwaa-Sekyi, 2020). Entrepreneurial intentions can be measured using self-report surveys, standardized instruments such as the Entrepreneurial Intentions Form (Guerrero, Rialp and Urbano, 2014).

**Research Gaps**

So far, although many experts have studied entrepreneurial intention and created a lot of literature on the factors affecting entrepreneurial intention. However, most of the research focuses on western countries, and there is little research on China. Due to China's unique social structure, economic development, and cultural factors, the research results of western countries cannot be replicated by Chinese society. In addition, although some studies have investigated the relationship between family background and entrepreneurial intention, few have explored the role of moderator variables, such as entrepreneurial interest and perceived university support. So, this study aims to fill the gap in this part of the literature by exploring the relationship between Chinese university students' family background, entrepreneurial spirit, and perceived university support and entrepreneurial intention. And provide practical suggestions for universities and policy makers to support Chinese students' entrepreneurial activities. Therefore, our research framework as the follow:



# Figure 1. Research framework

# 3. Research Method

Data for this study will be collected using a self-administered online questionnaire. Questionnaires will be distributed through online channels, including social media platforms and the University website. We used a non-probability sample, as our target was university students who teach entrepreneurship courses. Respondents were college or graduate students aged 18-25 years old living in China. Judging from the number of questions in the questionnaire and the equation from Hair et al. (2017), that is n x 5-10. N is the indicators. Our total questions are 24, therefore, this study plans to randomly collect 120-240 data. The questionnaire will include questions related to entrepreneurial passion, perceived university support, family background, and entrepreneurial intentions. The survey plan uses a Likert scale for measuring responses ranging from strongly agree to strongly disagree. where "strongly disagree = 1" to "strongly agree = 5" (Croasmun & Ostrom, 2011). The Likert scale is used because its evaluation indicators are clearer, easier for the subjects to use and understand, and can reduce evaluation errors and improve data quality. (Krosnick & Presser, 2010) It is also convenient for comparison and analysis because it expresses participants' opinions numerically, which makes data analysis easier and enables quantitative research such as statistical analysis.

# 4. Result and Discussion

A total of 131 students participated in this survey. At the basic information stage, this research conducted a random survey based on age, gender, and college major. This chapter will analyze and summarize based on the data from the respondents.

**Validity and Reliability**

Based on the analysis of all questions in the questionnaire, it was finally concluded that the KMO statistic was 0.879 (see in figure 1), which indicates that the validity is above the qualified level. The <0.05 significance of Bartlett's spherical test indicates that the data is spherically distributed. Finally, the data passed the validity test



Figure 2. KMO and Bartlett’s Test

The Cronbach's Alpha detection method was used in the reliability test. The test standard is that when Alpha > 0.60, the reliability of the data is qualified, the Alpha of all variables in table 1 in this test is > 0.8, which proves that the reliability of this survey is very good. This shows that the data is internally consistent, and the reliability test is qualified.

Table 1. Reliability Test



**Multiple Regression**



Figure 3. Multiple Regression

According to the analysis of the above table, the formula of this study is:

Y=1.258+0.241X1+0.211X2+0.176X3

Where:

Y= Entrepreneurial Intention

X1=Entrepreneurial Passion

X2= Perceived University Support

X3= Family Background

**T-test**

The t-test can determine the level of influence of the independent variable on the dependent variable, such as knowing which variables have a partially significant effect and which variables have a significant effect. As seen in the following table:



Figure 4. T-Test

According to the above table, it can be obtained:

1. Entrepreneurial passion has a significant and positive impact on entrepreneurial intention.
2. Perceived university support has a significant and positive impact on entrepreneurial intention.
3. Family background has a significant and positive impact on entrepreneurial intention.

**F-Test**

The F test can help to determine whether the independent variable affects the dependent variable simultaneously. In this study, the F test can determine whether entrepreneurial passion, family background and perceived university support can simultaneously affect entrepreneurial intention. Based on the below results, it can be shown that entrepreneurial passion, university support, and family background have a significant impact on entrepreneurial intention.



Figure 5. T-Test

**Coefficient of Correlation (R) and Coefficient of Determination (R2)**



Figure 6. Coefficient Correlation

The R value (correlation coefficient) of 0.401, indicates that the correlation between the independent variable and the dependent variable in this study is relatively weak. The adjusted R square value of 0.141, indicating that 14.1% of the dependent variable in this study is influenced by entrepreneurial passion, perceived university support, family background, and entrepreneurial intention and the rest is influenced by other variables.

# 5. Conclusion and Implications

**Conclusion**

Our first hypothesis proves that entrepreneurial passion has a significant and positive impact on Chinese students' entrepreneurial intention (H1). This means that cultivating students' entrepreneurial passion can increase students' entrepreneurial intention. The government and society can awaken students' entrepreneurial passion by giving training, arranging the competion, making entrepreneurial videos or writing entrepreneurial articles to increase students' entrepreneurial awareness. This result is in line with Murad, Shahzad et al. (2020) in "Entrepreneurial Passion to Entrepreneurial Behavior: The Role of Entrepreneurial Vigilance, Entrepreneurial Self-Efficacy and Initiative Taking Personality" also found that entrepreneurial passion has a significant and positive impact on entrepreneurial awareness. One the other hand, Indriastuti et al.(2021) also found the same line.

Our second hypothesis shows that university perceived support has a significant and positive impact on Chinese university students' entrepreneurial intention (H2). This means that universities can increase students' entrepreneurial intention by setting up entrepreneurship funds or entrepreneurship lectures. According to Lu, Song and Pan in 2021 entitled "How University Entrepreneurship Support Affects Student Entrepreneurial Intention: An Empirical Analysis from China found that university entrepreneurship support has a positive effect on entrepreneurial intetion. This result also supported by study of Liu et all (2022).

Our third hypothesis shows that family background has a significant and positive impact on Chinese university students' entrepreneurial intention (H3). This means that parents or family members can increase students' entrepreneurial awareness by encouraging students to start their own business or providing seed funding or providing advice and other support. According to Georgescu and Herman's (2020) research entitled "The Impact of Family Background on Student Entrepreneurial Intention: An Empirical Analysis". Through a survey of Romanian high school and university students, they found that students with entrepreneurial family backgrounds have higher entrepreneurial intentions than students without entrepreneurial family backgrounds. Similar research results from Genoveva & Kartawatia (2020) also found that family background has an impact on entrepreneurial intention.

The results of the fourth hypothesis of the F test, showing that passion in entrepreneurship, family education and support perceived by the university together can have a positive and significant impact on entrepreneurial intention (H4). This means that the entrepreneurial intention of students can be improved from these three aspects simultaneously. According to research by Adhikusuma and Genoveva (2020) entitled "The Influence of Entrepreneurial Culture in Indonesia on the Entrepreneurial Intention of Business Students". Through a survey of students in several regions in Indonesia, it was found that education, family background, and perceived behavioral control can simultaneously influence entrepreneurial intentions. This means that university support and family background can simultaneously affect entrepreneurial intention. In a study by Lee, Joo and Cortes (2021) entitled "Entrepreneurship Education and Founding Passion: The Moderating Role of Entrepreneurial Family Background", it was found that entrepreneurship education has a positive impact on students' entrepreneurial passion, and when students' close family members. This relationship is strengthened when there are entrepreneurs. This means that entrepreneurship education has a positive impact on entrepreneurial passion. Entrepreneurial passion, family background, and perceived university support can simultaneously influence entrepreneurial intention through the above two studies

**Implications**

The results of this study can provide some useful and feasible suggestions for society, government, universities and families to promote students' entrepreneurial intentions. For society, should value and encourage young people to engage in entrepreneurship, and make society realize the importance of entrepreneurship to society and stimulate the entrepreneurial spirit of college students. Some businesses and investors can motivate young people by investing in students' entrepreneurial activities. For the government, can formulate policies to support entrepreneurship, including reducing taxes, providing financial support, and simplifying entrepreneurship procedures, so as to reduce the entrepreneurial pressure of college students with low-income family backgrounds. For families, within the family, students who have entrepreneurial passion should be encouraged and supported in their willingness to start a business. Provide the necessary emotional and financial support to encourage students to actively participate in entrepreneurship. For universities, should improve the entrepreneurship education system and provide more optional entrepreneurship courses, mentor guidance, and entrepreneurship resources for students. So as to help students develop entrepreneurial passion and ability.

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