

FACTORS INFLUENCING ENTREPRENEURIAL INTENTIONS ON BUSINESS START-UP AMONG THE YOUTHS IN NORTH CENTRAL NIGERIA

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Abstract

This study is on the Factors Influencing Entrepreneurial Intentions on business start-up among the youths in north central Nigeria. The study adopted the descriptive research design using the survey method of which questionnaires were administered to a sample of (349) youths in north central. The responses were analyzed using smart PLS. It was found that need for achievement has positive and significant effect on entrepreneurial intention while attitude revealed a negative and insignificant effect on entrepreneurial intention. Therefore, the study recommends that programs should extend beyond merely influencing attitudes. Greater emphasis should be placed on developing practical skills, providing access to essential resources, and offering motivational support. Furthermore, entrepreneurship development initiatives should be designed to include training modules that actively encourage individuals to set and accomplish both personal and professional goals. These programs should highlight important traits such as goal-setting, resilience, innovation, and self-discipline, which are strongly linked to a high need for achievement.

Keywords: *Entrepreneurial intention, need for achievement and attitude.*

INTRODUCTION

Entrepreneurial intentions among youth have become an increasingly important area of scholarly inquiry, especially in the context of economic development and job creation. Across the globe, youth entrepreneurship is viewed as a powerful mechanism for addressing unemployment and fostering innovation (Krueger, 2021). The concept of entrepreneurial intention is rooted in Ajzen's (1991) Theory of Planned Behavior, which suggests that intention is the most significant predictor of entrepreneurial behavior. Entrepreneurial intentions refer to an individual's conscious state of mind that directs attention, experience, and behavior toward entrepreneurial activities, such as the formation of a new business venture (Liñán & Fayolle, 2015).

In recent years, several factors have been identified as influencing entrepreneurial intentions, including personal traits, socio-cultural influences, access to resources, and institutional support (Nowiński et al., 2020). For instance, the need for achievement, risk-taking propensity, self-efficacy and locus of control have been linked to higher entrepreneurial motivation among youths (Altinay et al., 2022). Similarly, external support systems such as family encouragement, peer influence, and market accessibility have been shown to play crucial roles in shaping entrepreneurial intentions (Fatoki, 2019). Moreover, the presence or absence of entrepreneurial education and enabling policies has been found to either promote or hinder youth participation in entrepreneurial ventures (Fayolle & Liñán, 2020).

The issue of entrepreneurial intention among Nigerian youths has attracted growing attention in recent years, emerging as a significant concern for policymakers, educators, and development practitioners. Despite various initiatives by both governmental and non-governmental organizations aimed at promoting entrepreneurship, actual entrepreneurial engagement among youths remains low. Many young individuals are unable to transition from intention to action, resulting in minimal business start-up activities. Consequently, the impact of entrepreneurship promotion efforts appears negligible, as the presence of entrepreneurship initiatives has not translated into a meaningful difference in youth entrepreneurial participation.

The main objective of this research work is on Factors Influencing Entrepreneurial Intentions on business start-up among the youths in north central Nigeria. While the following specific objectives are to:

- i. Examine the effect of need for achievement on entrepreneurial intention on business start-up among the youths in north central Nigeria.
- ii. determine the effect of attitude on entrepreneurial intention on business start-up among the youths in north central Nigeria.

The following hypotheses guide the research:

H₀₁: Need for achievement on entrepreneurial intention on business start-up among the youths in north central Nigeria.

H₀₂: Attitude has no significant effect on entrepreneurial intention on business start-up among the youths in north central Nigeria.

LITERATURE REVIEW

Entrepreneurial Intention

Tahir and Ahmad (2020) opined that entrepreneurial intention is a state of mind that directs and guides the actions of the entrepreneur toward the development and implementation of a business concept. Entrepreneurial intention is the desire of an individual to establish a private business. The desire for entrepreneurship among individual were borne out of the desire to be one's own boss, financial autonomy, avoidance of unemployment syndrome, and retrenchment in work place.

Farooq et al. (2020) stated that entrepreneurial intention is a representation of a future course of action to be performed; it is not simply an expectation of future actions but a proactive commitment to bringing them about. Intentions and actions are different aspects of a functional relation separated in time. Intentions center on plans of actions. Absent intention, action is unlikely. Intentions represent the belief that one will perform certain behavior. Logically, intent precedes action. The term entrepreneurial intentions have affinity with other frequently used terms designating the same meaning; e.g., entrepreneurial awareness, entrepreneurial potential, aspiring entrepreneurs, entrepreneurial proclivity, entrepreneurial propensity, and entrepreneurial orientation -EO (more concerned with the entrepreneurial process, with recent research suggesting that the sub-dimensions of EO may vary independently).

Need for Achievement

Utari and Sukidjo (2020) defined need for achievement as the probability of performing something in a better way as compared to others or one's own previous performances. Hard working, ambitious and competitive natures are mostly the distinguishing characteristics of people who have need for achievement. Individuals who have a need for high achievement will be more likely to become an entrepreneur. Need for achievement has been identified at the very beginning of entrepreneurship research as a significant predictor of entrepreneurial behavior. People with higher need for achievement are goal-oriented and have strong desire for success.

Attitude

Palaskas and Botsaris (2020) defined attitude as an element in personality that is important in determining the success of the entrepreneur's ventures and it can be strengthened with the cognitive and emotional components that lead to the formation of conduct which has the purpose of the trend of action, in which attitudes can exist separately in the individual self, but interconnected with other components within the individual self. Entrepreneurs are said to have chosen special features that differentiate them from others through their entrepreneurial attitude. Attitude is the reaction of an individual to an object in the environment, in the study of these objects is entrepreneurship. Attitude is a reaction of person's beliefs on how and what to think about people who are considered important and are motivated to follow that thought.

Need for Achievement and Entrepreneurial Intention

Wei et al. (2022) investigated the role of need for achievement in the recognition of opportunity, developing entrepreneurial self-efficacy, and entrepreneurial intention, in the shaping of entrepreneurial actions. A cross-sectional research design was adopted with a sample of 346 university students from

Jiangsu province, China. Primary data was used and was analyzed using the Partial Least Squares Structural Equation Model. The study showed that need for achievement positively and significantly influenced entrepreneurial behaviour. The study recommended that the entrepreneur should be proactive in discovering an opportunity and be able to passionately explore it to establish a business venture. The study was carried out in China, the finding may not be applicable in Nigeria due to its economic difference.

Attitude and Entrepreneurial Intention

Ebitu, et al. (2020) examined the relationship between attitude and entrepreneurial intention of selected SMEs in southern senatorial district of Cross River State. The study employed Survey design. The sample size of the study was 150 and data was collected with the use of structured questionnaire. The instrument was content-validated, while the test-retest method was used to confirm the reliability. Data analysis was done electronically by the use of Statistical Package for Social Science (SPSS) version 21. The findings revealed that there is a significant relationship between attitude on entrepreneurial intention. The study recommended that to achieve goals of cultivating entrepreneurial attitudes among business students, it is critical to first identify a student's passion for starting a venture and then inspire them to consider entrepreneurship as a profession. The technique for analysis should be correlation since the study is on relationship between attitude and entrepreneurial intention.

Basil (2018) studied attitude towards entrepreneurial intention in Nigeria. The study used Survey design with the sample size of the 350 firms. Questionnaire was used as a source of data collection. Data collected was analyzed using SPSS. The study found that attitudes have a significant and positive effect on SMEs growth. The study recommended that managers of SMEs should be adequately educated on the principles and practice of good attitudes towards their business. This study was carried out in Nigeria, the finding may not work for other African countries like Togo, Ghana, Benin Republic, etc.

Psychological Theories of Entrepreneurship

Trait theorists believe personality can be understood via the approach that all people have certain traits or characteristic ways of behaving (Allport & Odbert, 1936). The level of analysis in psychological theories is the individual (Landstrom, 1998). These theories emphasize the personal characteristics that define entrepreneurship. Personality traits, need for achievement and locus of control are reviewed and empirical evidence is presented for three other new characteristics that are associated with entrepreneurial inclination. These are risk-taking, innovativeness, and tolerance for ambiguity. Coon (2004) defines personality traits as stable qualities that a person shows in most situations.

To the trait theorists, there are enduring inborn qualities or potentials of the individual that naturally make him/her an entrepreneur (Kwabena, 2011). This theory gives some insight into these traits or inborn qualities by identifying the physiognomies associated with the entrepreneur. The physiognomies give us a clue or an understanding of these traits or inborn potentials. In fact, explaining personality traits means making inference from behaviour. Some of the physiognomies or behaviours associated with entrepreneurs are that they tend to be more opportunity driven (they nose around), demonstrate high level of creativity and innovation, and show a high level of management skills and business know-how (Kwabena, 2011). They have also been found to be optimistic, (they see the cup as half full rather than as half empty), emotionally resilient and have mental energy. They are hard workers and show intense commitment and perseverance. They also thrive on the competitive desire to excel and win, tend to be dissatisfied with the status quo and desire improvement. Entrepreneurs are also transformational in nature, are lifelong learners and use failure as a tool and springboard (Kwabena, 2011; Kuratko, & Hodgetts, 2001). They also believe that they can personally make a difference, are individuals of integrity and above all, visionary.

METHODOLOGY

The study adopted survey research design employing the use of primary data. Data were collected using 5-point Likert scale structured questionnaire. The population of the study consist of on business start-

up among the youths in north central Nigeria. Considering the fact that the exact number of the youths in north central cannot be ascertained, the study population is therefore infinite. So, Cochran formula was adopted to determine the sample size of 349 youths. Data were collected through electronic media such WhatsApp, email, Facebook etc. Data collected were coded and analyzed using smart PLS-SEM.

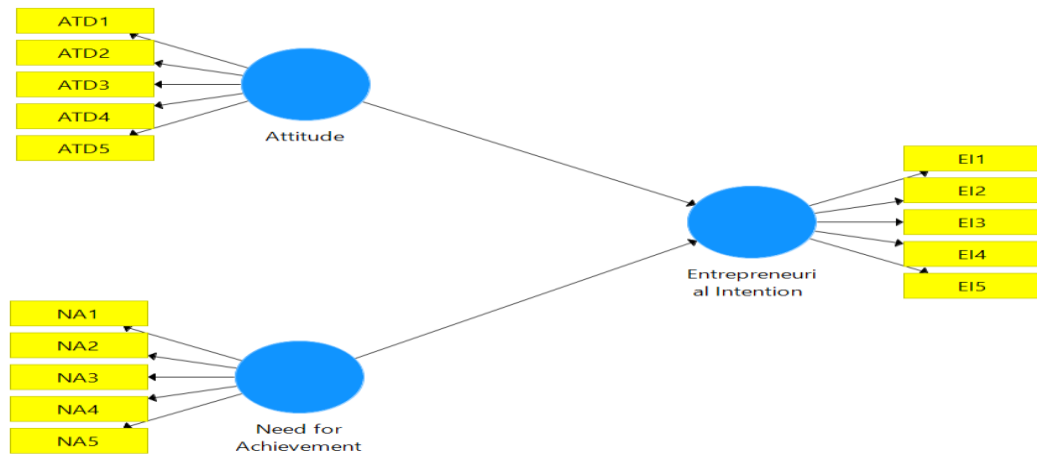


Figure 1: Study Model

Results and Discussion.

Table 1.1: Reliability of study scale

Source: Smart PLS Output, 2025

S/N	Variables		Factor Loadings	Cronbach Alpha	Composite Reliability	Rho A	Average Variance Extracted (AVE)	No of Items
1	Attitude (ATD)	ATD3 ATD4 ATD5	0.871 0.844 0.837	0.809	0.887	0.807	0.723	3
2	Need for Achievement (NA)	NA1 NA3 NA4	0.735 0.729 0.792	0.786	0.769	0.802	0.787	3
3	Entrepreneurial Intention (EI)	EI3 EI4 EI5	0.827 0.925 0.906	0.863	0.917	0.854	0.556	3

Composite reliability of Jöreskog's (1971) was applied to test for internal consistency of the items. All the values fall within the Hair, et al., (2019) rating of good consistency. The Cronbach alpha value was above 0.60 which is the minimum threshold as recommended by Sekaran (2010). To test for the convergent validity, the average variance extracted (AVE) was used. All the latent variables showed values greater than 0.50 which indicates that the constructs explain at least 50 percent of the variance of its items. According to Henseler et al., (2015) the Fornell-Larcker criterion does not perform well when explaining discriminant validity, particularly when the indicator loadings on a construct differ only slightly. As a replacement, they proposed the Heterotrait-Monotrait (HTMT) ratio of the correlations which is the mean value of the item correlations across constructs relative to the (geometric) mean of the average correlations for the items measuring the same construct (Voorhees et al., 2016). Discriminant validity problems are present when HTMT values are higher than 0.90 for structural models (Henseler, et al., 2015).

Table 2 Heterotrait-Monotrait Ratio (HTMT)

	ATTITUDE	NEED FOR ACHIEVEMENT	ENTREPRENEURIAL INTENTION
ATTITUDE			
NEED FOR ACHIEVEMENT	0.759		
ENTREPRENEURIAL INTENTION	0.645	0.512	

Source: Smart PLS Output, 2025

Model Goodness of Fit (GoF)

Sequel to the need to validate the PLS model, there is a need to assess the goodness of fit of the model as Hair, et al. (2017) suggested. This study used the standardised root mean square residual's (SRMR). The choice of this index was based on the fact that the SRMR provides the absolute fit measure where a value of zero indicates a perfect fit. The study adopted Hu & Bentler (1998) suggestion that a value of less than 0.08 represents a good fit while applying SRMR for model goodness of fit. The study result indicates an SRMR value of 0.01. This indicates the model is fit.

Assessing the Structural Model

Having satisfied the measurement model assessment, the next step in evaluating PLS-SEM results is to assess the structural model. Standard assessment criteria, which was considered include the path coefficient, t-values, p-values and coefficient of determination (R^2). The bootstrapping procedure was conducted using a resample of 5000.

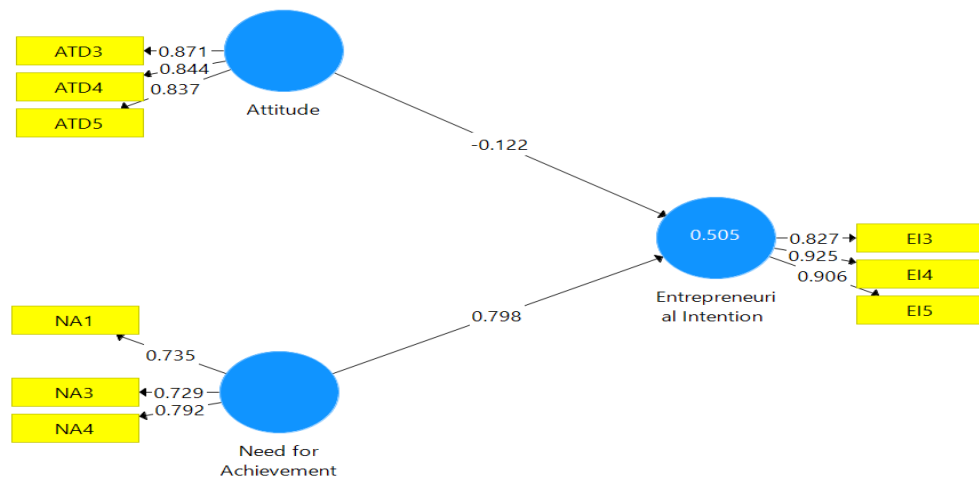


Fig. 3: Path Coefficients of the Regression Model

The R-square value stood at 505% indicating that entrepreneurial intention represented by need for achievement and attitude are responsible for 50% variation in entrepreneurial intention. The remaining 50% variation could be explained by other factors not included in the study. Based on Hair, et al., (2019), the r-square is considered suitable and lends credence to the findings of the study. The result of the path analysis is presented in the table below.

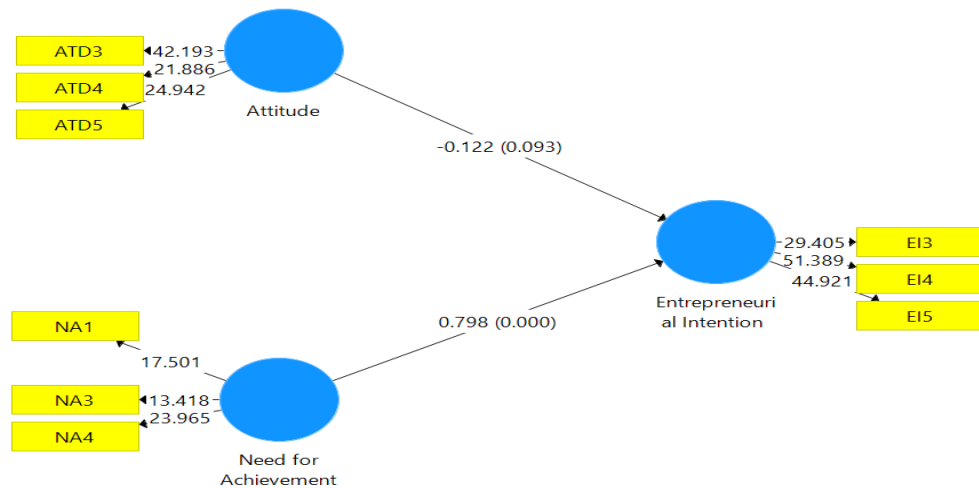


Table 3.1: Path Coefficients

Hypothesis	Variable	Path Coefficient ***(Beta)	t-value	p-value	Findings
Ho ₁	Attitude	-0.122	1.683	0.093	Accepted
Ho ₂	Need for Achievement	0.798	12.028	0.000	Rejected

Source: Smart PLS Output, 2025

The result reveals that Attitude has a negative and insignificant effect on Entrepreneurial Intention, as shown by a path coefficient of -0.122, a t-value of 1.683, and a p-value of 0.093, which is greater than the 0.05 significance level. This suggests that although attitude may play a role, its influence is not strong enough to be considered statistically significant in this study. Therefore, the null hypothesis is accepted, indicating that Attitude does not significantly impact Entrepreneurial Intention. This finding may contrast with previous literature that emphasizes the role of personal attitude in shaping behavioral intentions, implying that other factors may be more influential in this specific population or setting.

Finally, the second Hypothesis shows a strong and statistically significant positive relationship between Need for Achievement and Entrepreneurial Intention. The path coefficient is 0.798, the t-value is 12.028, and the p-value is 0.000, indicating a highly significant effect at the 0.05 level. Consequently, the null hypothesis is rejected. This implies that individuals with a higher need for achievement are more likely to demonstrate stronger outcomes in the studied area (e.g., business performance, entrepreneurial intention, or investment decision). This finding is consistent with several empirical studies that underscore the importance of achievement motivation as a key driver of entrepreneurial success and personal initiative. It also supports McClelland's theory of motivation, which highlights need for achievement as a central factor in goal-oriented behavior.

CONCLUSION AND RECOMMENDATION

Based on the findings above, the study concludes that Attitude and Need for Achievement are key motivators for entrepreneurial intention among youths in north central, Nigeria. Therefore, the study recommends that programs should extend beyond merely influencing attitudes. Greater emphasis should be placed on developing practical skills, providing access to essential resources, and offering motivational support. Furthermore, entrepreneurship development initiatives should be designed to include training modules that actively encourage individuals to set and accomplish both personal and professional goals.

These programs should highlight important traits such as goal-setting, resilience, innovation, and self-discipline, which are strongly linked to a high need for achievement.

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Questionnaire

Key: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree

S/N	Attitude	SA	A	U	D	SD
1	I believe that strong results are important in determining the success of a business					
2	I never postpone important things to a suitable time.					
3	I often sacrifice personal comforts for the benefit of good opportunities.					

4	I carry out any work earnestly and as soon as possible in order to achieve the targets set					
5	I feel great satisfaction when my work is the best.					
	Need for Achievement					
6	I link failure or success to me rather than other people or circumstances.					
7	I Try harder to verify my previous job evaluation.					
8	Will do perfectly in quite tough tasks related studies or job.					
9	I return to unfinished assignments and finish it					
10	Will to perform better than others					
	Entrepreneurial Intention					
11	My professional goal is to become an entrepreneur					
12	I will make every effort to start and run my own business.					
13	I am determined to establish business in the future.					
14	Having a business of my own make me financially well-off					
15	Being an entrepreneur would make me great.					