

## Entrepreneurial Competencies of Rural-based University Students

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### ABSTRACT

Studies have shown that entrepreneurial competencies are learnable and that entrepreneurship education aims to develop the entrepreneurial competencies and intentions of students [1]. Higher education institutions are developing these competencies among students to better prepare them for an entrepreneurial career and enable them to adapt to change. The purpose of this study is to determine the personal entrepreneurial competencies, as identified by Management Systems International, of seventy-three (73) students who have successfully completed an entrepreneurship subject. Descriptive statistics, Mann Whitney and Spearman Rho tests were used to analyze the collected data. Results showed that the students' top possessed entrepreneurial competency is Goal Setting but they are weak in Persuasion and Networking. A moderate significant correlation exists between their entrepreneurial intent and Goal Setting and a low but statistically significant correlation between entrepreneurial intent and Persistence as well as with entrepreneurial intent and Self-Confidence. Other competencies were not found to be significantly correlated to entrepreneurial intent. However, there is an opportunity to further improve the competencies if students are exposed to start-up activities that will enable them to collaborate, create, and commercialize. The results of this study provided inputs in enhancing the entrepreneurship curriculum of a rural-based State University.

### Keywords

Personal Entrepreneurial Competencies, entrepreneurship, entrepreneurship education, entrepreneurial intent, competencies

### Introduction

Universities are expected to produce entrepreneurial graduates that have enormous potential for developing innovative solutions. Many factors are involved in the process of becoming entrepreneurial and one of which is the development of different entrepreneurial competencies (ECs) that are relevant in starting businesses that create value. The Management Systems International (MSI) together with McBer & Company [2], undertook a five-year USAID-funded research project to analyze the actions and thought processes of successful entrepreneurs, and, they have identified ten (10) personal entrepreneurial competencies (PEC):

1. Opportunity seeking and Initiative – The entrepreneur adapts actions depending on trends or events as they happen, and also takes measures to expand the business into new markets, products or services. He/she also finds unique opportunities to start a new business and gain additional resources.
2. Risk taking – The entrepreneur takes time to calculate risks and deliberately evaluate alternative actions, taking into consideration risk reduction or outcome prediction and control.

He/she also places oneself in challenging or moderately risky situations.

3. Demand for Efficiency and Quality – The entrepreneur seeks for alternatives to do things differently, faster, or at less cost, and upholds standards of excellence in all actions. He/she also ensures that work is done most effectively and meets quality requirements in the most time-efficient way.
4. Persistence – The entrepreneur takes action and perseveres despite difficulties, and continues expected acts and improvises to resolve early challenges. He/she owns the responsibility to perform to achieve set targets.
5. Commitment to Work Contract – The entrepreneur goes out of his/her way to do a job, and makes extra effort to maintain or exceed work efficiency and production. He/she also upholds customer satisfaction and long-term relationship with the customer versus short-term gains.
6. Information Seeking – The entrepreneur gathers and explores information from other people within the business landscape, conducts business related research, and seeks consultation and professional advice with industry experts.
7. Goal Setting – The entrepreneur sets meaningful and challenging goals and objectives.

He/she explicitly declares his/her long-term goals and sets measurable short-term objectives as well.

8. Systematic Planning and Monitoring – The entrepreneur breaks down large tasks into sub-tasks during planning phase, and accounts for feedback and new circumstances to revise plan. He/she also makes use of financial records as the basis for potential decision-making.

9. Persuasion and Networking – The entrepreneur employs effective persuasion strategies to influence others. He/she also identifies and uses key individuals as agents to further his/her own purpose, and strives to establish and maintain a network for the business.

10. Independence and Self-Confidence – The entrepreneur strives for freedom from rules or control of others, and stands by his/her decisions despite difficulties and obstacles. He/she also believes in his/her own ability to fulfill tasks and attain goals.

Some authors used entrepreneurial competencies to describe individual characteristics or individual traits or the ability of the entrepreneur to successfully perform a job [3]. As it plays a very important role in successful entrepreneurship [4], it is important to determine the entrepreneurial competencies of nascent or future entrepreneurs. The largest prospective source of new entrepreneurs is youth [4,5] and for this reason, the enhancement of entrepreneurial talents amongst young people is widely supported [4,6]. The Philippine government also recognized the importance of youth entrepreneurship, hence, programs that foster entrepreneurial activities were implemented. In 2016, for example, the Youth Entrepreneurship Act or Republic Act No. 10679 was enacted to encourage the youth to become entrepreneurs and to build a culture of entrepreneurship as an alternative solution to unemployment and underemployment in the country [7].

According to [8], through entrepreneurship education, students develop entrepreneurial competencies and can be the basis for their entrepreneurial intentions. However, despite government support, universities not only in the Philippines but also around the world are still challenged to promote entrepreneurship education among students [9]. Velasco[10] found that few

Filipino graduates turned out to be entrepreneurs or business owners as most young people still prefer the security of tenure in a job through the employment route. This suggests that there are still steps to be taken to strengthen the entrepreneurship education and to further increase the awareness of the value of entrepreneurship as well as identify new schemes in developing students' entrepreneurial competencies and skills.

A rural-based state university offering entrepreneurship courses aims to produce globally competent leaders, professionals, and entrepreneurs. Determining the competencies possessed by their students would be useful for their educators and policy makers to revisit their entrepreneurship curriculum and identify areas that need enhancement.

Thus, this study determined the personal entrepreneurial competencies of students in a rural-based university for curriculum enhancement.

Specifically, this study aimed to:

1. describe the profile of the respondents;
2. determine the respondents' personal entrepreneurial competencies and their entrepreneurial intent;
3. determine if there is a significant difference in the personal entrepreneurial competencies of respondents when categorized according to their profile; and
4. determine if there is a correlation between the personal entrepreneurial competencies and entrepreneurial intent of the respondents.

## Methods

### Research Design

The descriptive research design was employed to address the objectives of the study. According to [11], descriptive research covers fact finding enquiries of different kinds utilizing survey methods of all kinds, including comparative and correlational methods. The descriptive research design is appropriate in this study for it attempts to describe the personal entrepreneurial competencies possessed by rural-based university students and determine if a correlation exists

between these competencies and their entrepreneurial intent.

### Participants of the Study

Respondents in this study were students who have completed entrepreneurship subjects in the main campus of the participant university. Also, all of these students were graduates of the K-12 senior high school curriculum in which entrepreneurship was one of the mandatory subjects. Using purposive sampling, seventy-three (73) students participated in the study, of which twenty-eight (28) were from a business course and forty-five (45) from a non-business course.

### Research Instrument and Data Collection

A survey-questionnaire was used to gather the needed information. The first part of the questionnaire contained demographic questions such as age, sex, program of study, and business background of the respondents. The second part included the Personal Entrepreneurial Competencies (PEC) questionnaire being utilized by the UP Institute of Small-Scale Industries (UP-ISSI) in one of their training programs [12] and it was also discussed in a book titled Entrepreneurship in the Philippine Setting written by [13]. The adapted PEC questionnaire is a self-rating tool that tests the degree to which an individual has common MSI-identified competencies. The questionnaire is composed of fifty-five (55) statements where the respondents were asked to rate themselves from 1 (never) up to 5 (always). The respondents' entrepreneurial intent was measured through a 7 Likert-type scale with 6 items from the Entrepreneurial Intention Questionnaire (EIQ) designed by [14].

Approved letters of request to conduct the study together with the three-part questionnaire were distributed to the respondents. Informed consent was also obtained from the respondents.

### Data Analysis

Data was analyzed using descriptive statistics of frequency, percentage and mean. PEC scores were further analyzed in accordance with the interpretation used by [15-16]. Also, Mann

Whitney and Spearman Rho tests were done using the SPSS software.

## Results

The profile of the respondents is presented in Table 1. Out of the 73 respondents, 38% were students from a business course and 62% were from a non-business course. The majority of the respondents were 20 years old and below. There were more females comprising 81% of the sample. Additionally, 52% have business experience.

Table 1. Respondents' Profile

Age	f	%
20 years and below	72	99%
Above 20 years	1	1%
Sex		
Male	14	19%
Female	59	81%
Program of Study		
Business course	28	38%
Non-business course	45	62%
Business Background		
With business experience	38	52%
Without business experience	35	48%

The top possessed entrepreneurial competency of rural-based university students is Goal Setting and they obtained a weak rating in Persuasion and Networking. Table 2 provides a summary of the mean scores, as well as the interpretation and ranking of the personal entrepreneurial competencies of the respondents in this study.

Table 2. Summary of the PEC of Rural-based University Students

Personal Entrepreneurial Competencies	Mean Score	Interpretation	Ranking
Opportunity Seeking	16.92	Moderate	8
Persistence	18.30	Moderate	2
Commitment to Work Contract	17.45	Moderate	4
Demand for Quality/Efficiency	17.04	Moderate	6
Risk Taking	16.99	Moderate	7
Goal Setting	18.86	Moderate	1
Information Seeking	17.48	Moderate	3
Systematic	17.33	Moderate	5

Planning/ Monitoring			
Persuasion and Networking	15.99	Weak	10
Self-Confidence	16.66	Moderate	9

There were also some studies on personal entrepreneurial competencies which resulted to a weakness in persuasion and networking. Reference [15] revealed that persuasion and networking in three BSBA programs of another state university consistently rated weak. Alusen [15] also mentioned that the research conducted by [17] found that women entrepreneurs have a moderate level of competencies in terms of goal setting, seeking relevant data, planning systematically and monitoring; most of them tend to be weak in competencies associated with risk, persuasion, and networking.

Since majority of the respondents have business experiences and have taken entrepreneurship classes (from senior high school to college level), the extent of their entrepreneurial intent is above the neutral value with an overall mean of 5.83 as shown in Table 3. However, the respondents are not yet fully prepared and are uncertain to take entrepreneurship as a professional career. Yet, they are determined and have the intention to start and run a business in the future.

Table 3. Entrepreneurial Intent of Rural-based University Students

Entrepreneurial Intent	Mean Value	Interpretation
I am ready to make everything to be an entrepreneur	4.00	Neither Agree/Disagree
My professional goal is becoming an entrepreneur	4.00	Neither Agree/Disagree
I will make every effort to start and run my own firm	7.00	Totally Agree
I'm determined to create a firm in the future	7.00	Totally Agree
I have very seriously thought of starting a firm	6.00	Agree
I've got the firm intention to start a firm some day	7.00	Totally Agree
Overall Mean	5.83	Somewhat Agree

With regards to the differences in the personal entrepreneurial competencies of the respondents, it was found that there is no significant difference in the PEC scores when respondents are grouped in terms of their age, sex, and business background. All p-values were all greater than 0.05, which means that their level of competencies were all equal. It was found though that Opportunity Seeking and Self-Confidence have significant differences when respondents are grouped according to their program of study as reflected in Table 4.

Table 4. Differences in the PEC of Rural-based University Students by Program of Study

PEC	Mean		U	p-value
	Business course	Non-business course		
Opportunity Seeking	44.82	32.13	-2.669	.008*
Persistence	39.54	35.42	-.894	.371
Commitment to Work Contract	40.43	34.87	-1.171	.242
Demand for Quality and Efficiency	39.96	35.16	-1.002	.316
Risk Taking	39.95	35.17	-1.004	.316
Goal Setting	42.09	33.83	-1.868	.062
Information Seeking	39.71	35.31	-.922	.356
Systematic Planning	38.50	36.07	-.524	.600
Persuasion and Networking	41.23	34.37	-1.502	.133
Self-confidence	45.34	31.81	-2.832	.005*

In Table 5, it shows that of the ten PEC, there is a moderate significant correlation between entrepreneurial intent (EI) and Goal Setting competency having a rho value of .298. There also exists a low but statistically significant correlation between EI and Persistence as well as EI and Self-confidence with a Rho value of .234 and .233 respectively. Other competencies are not significantly correlated to EI.

Table 5. Correlation between the PEC and EI of Rural-based University Students

PEC	EI	
	Rho	p-value
Opportunity Seeking	.200	.093
Persistence	.234	.048



Commitment to Work Contract	.120	.316
Demand for Quality and Efficiency	.140	.240
Risk Taking	.190	.111
Goal Setting	.298	.011
Information Seeking	.034	.780
Systematic Planning	.228	.054
Persuasion and Networking	.091	.446
Self-confidence	.233	.049

## Conclusion

Results of the study revealed that the majority of the students in a particular rural-based university has a moderate level of PEC with Goal Setting as their top entrepreneurial competency. They are weak in Persuasion and Networking, which suggests that there is a need to develop their interpersonal skills. Although they do have an intention to start and run a business in the future, they are still uncertain to pursue entrepreneurship as a professional career. Overall, their personal entrepreneurial competencies and intent still needs to be strengthened.

To improve the weaknesses of rural-based students, it is best that the university provide an enabling environment for student entrepreneurship. Start-up support services at an early stage of their educational process may be offered by the participant university. Also, financial assistance programs for student entrepreneurs may be institutionalized and involve these students in off-campus activities and other networking opportunities to develop their interpersonal skills. Further, it is highly recommended that educators create more innovative learning activities and mentoring mechanisms. Learning platforms for interactive online activities may be utilized for collaboration, creation of business opportunities, and commercializing student outputs.

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