

THEORY OF PLANNED BEHAVIOR: PERSONAL ATTITUDE AND PERCEIVED BEHAVIORAL CONTROL AS KEY DETERMINANTS IN CREATION OF ENTREPRENEURIAL SOCIETIES AND SOCIAL INCLUSION OF YOUNG PEOPLE

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Abstract

This paper examines the basic variables from the Theory of Planned Behavior in order to explain entrepreneurial intentions of 317 young people (students of economics and business) in a transitional economy, the Republic of North Macedonia (hereafter N. Macedonia). Confirmatory factor analysis for model fit and multiple regression analysis are used to test the hypotheses. The findings indicate that the young people's personal attitude and perceived behavioral control are two variables that have significant positive association with their entrepreneurial intent (the intent to start their own business in future). However, even when young people have high positive perceptions and strong perceived behavioral control (self-confidence in their own capabilities), their intent is not very clear (high). In order to contribute to the development of entrepreneurial societies and increase youth social inclusion through self-employment, policymakers and the scientific community should search for further answers for the underlying factors that hinder the entrepreneurial intention in transitional economies.

Key words: *entrepreneurial intentions, transitional economies, Theory of Planned Behavior, social inclusion of youth*

1. INTRODUCTION

Globalization and the rapid technological development currently impose certain pressure on the businesses. Increased competition forces more flexibility in the business world, increased adjustments and more innovations, all of which require rational and effective management measures. If this is not achieved, the results are failure. Notwithstanding, one of the purposes of the economy is to create strong and successful businesses, which at the end will lead to positive outcome for everyone involved directly or indirectly. Several studies have shown that innovation and entrepreneurship combined together lead to higher profit margins, create competitive advantage, enhance social integration, increase the countries' growth and contribute to faster economic development (Uslu and Kedikli, 2019, p.1).

The latest thoughts on entrepreneurship and the entrepreneurs role in the global economy in a time of crisis, still portray them as an element with vital role and a key provider of employment on a global level, (Weforum, 2020). In addition, it is expected to be the key factor in restoring the world to a new normal, after the ongoing COVID-19crisis, which is expected to change business and globalization, making it more diversified (CsMonitor, 2020). Entrepreneurship is not only based on luck, chance or capital, but it is a continuous and consistent process that is based on planning, creativity, passion and risk taking (Mazzarol, 2011). Recent studies, such as Alecusan and Dimitrescu (2016), have shown that economies cannot prosper without entrepreneurship. However, the market conditions have to provide opportunities for such innovative activities, because these two sides (development of national economies and entrepreneurship) are interconnected. Many countries have started to intensively focus on the concept of entrepreneurship and its implementation in practice. Results have shown that those regions that incorporate the entrepreneurship as a core activity in their economies have experienced higher levels of output and productivity compared to those that lack entrepreneurship capital (Al-Awlaqi, Aamer and Habtoor, 2018). Correspondingly, there are several advantages to putting more effort into developing the entrepreneurial spirit in the societies, i.e. entrepreneurship contributes to creating new jobs, which is beneficial for the businesses in the associated and un-associated industries; entrepreneurial activities lead to creating more wealth and increased competition, which later assists in creation of more focused employees, improved offerings, innovations, higher tax revenues and increased government spending (Sahnidis, et al, 2014, p. 149). Additionally, entrepreneurship supports the freedom of (young) people to choose to do what is their passion and to be less dependent on the traditional and obsolete systems (Alecusan and Dimitrescu, 2016, p. 145). This improves the quality of life, creates happier people, improves the person's morale and ethics and boosts the economic freedom. Another positive factor that highlights the importance of entrepreneurs is that entrepreneurs are usually like-minded people, who focus on developing

benefits for the community rather than for their own ventures. Therefore, each country's regulations play a vital role in nurturing the entrepreneurial spirit of its people and creating a balanced approach by the policy makers, which will undoubtedly give positive results for the whole society (Danyal and Ornek, 2015).

For most of the European countries, employment is considered the key factor for the social inclusion of young people, considering that most of the young population faces difficulties accessing sustainable and socially protected job. This highlights the need and importance for every country to invest in human resources and social protection that will be beneficial for the young population. Social inclusion currently is the core component of youth policies across the European Union (EU), defined as a process that aims towards providing opportunities and resources to those who are socially excluded and, that ensure their economic, social and cultural participation (Colley, Boetzelen and Hoskins, 2013).

Considering the benefits of entrepreneurship, the question is what are the young people's attitudes in forming a new venture, what are the factors that affect their self-employment ambition and are these actually differentiated from the remaining population. Some studies, the such as Sahnidiset, Vassiliou and Hyz (2014) indicate that the link between the Personal Attraction and Entrepreneurial Intention is strong, as well as between Perceived Behavioral Control and Self-Efficacy. However, analyzing the concept of entrepreneurship and the factors that drive and create the entrepreneurial spirit of the people is not an easy task. Entrepreneurship has many forms and cannot be sufficiently analyzed using only one method. Entrepreneurship can create a new venture or develop an existing one. This diversity differentiates the findings and leads to conflicting results. Finding the factors that affect the peoples' attitude is a complex task. To overcome this situation, the most frequently used meta-analysis instruments that researchers have shown to be beneficial are TPB and SEE (Armitage and Conner, 2001).

According to the Theory of Planned Behavior, the perception-based intentions of the entrepreneurs are learnable, not inborn. Unique personal characteristics, such as the experience, knowledge, gender, demographic parameters, education have a vital role in creating the entrepreneurial spirit (Ajzen, 1991). According to Ajzen, the best behavioral prediction asks people if they intend to behave in certain way. Correspondingly, the determinants that affect the behavioral intention can be classified as the attitude, the subjective norm and the perceived behavioral control. TPB belongs in a group of 'rational choice models', assuming every decision is based on calculating the cost and the benefits of every undertaken action. Hence, the stronger the behavioral intention is, the more likely the performance. Generally, the application of the theory of planned behavior in many research papers has proven to give clear results because it focuses on belief-based measures, outcome evaluation, and motivation to comply, which can overcome the scaling limitations. It is useful

because it understands certain behaviors and assists in making interventions where change has to be made (Conner and Armitage, 2010).

Research suggests that entrepreneurs are envisioning scalable, they are people that detect the opportunity and are driven by the passion to make their vision a reality and create high-growth businesses. However, the reality differs from the theory and much depends on the conditions in the economy. Currently, The Global Entrepreneurship Index is a tool that many countries use to evaluate opportunities for creating more jobs. According to the results obtained in 2018, US is first on the list in being entrepreneurially conscious. Switzerland comes second on the list, followed by Canada, UK, Australia, Denmark and Iceland. From the 137 examined countries, N. Macedonia was ranked 66, which indicates that there have been some measures taken, but much more has to be done in order to improve this condition (Lafuente, Acs, Szerb and Lloyed, 2018). The aim of this paper is to investigate the intentions and the attitudes of the people when it comes to being more entrepreneurial, create new jobs, take risks and detect opportunities; what are the factors that lead to creating entrepreneurial societies; what differentiates the countries and what measures have to be taken for developing the concept of entrepreneurship.

2. LITERATURE REVIEW

The first step in starting an entrepreneurial project is forming an intention. The existing literature of the social psychology theory has shown that the human behavior is goal-directed. When talking about the social psychology theory, as fully-fledged it is considered the theory of planned behavior (TPB), which focuses on explaining the behavioral decision-making process (Zhang, 2018). TPB originates from the theory of multi-attribute-attitude (TMA) and theory of reasoned action (TRA). It is a theory that claims that people behave in a certain way because they are affected by external factors and other objective circumstances, and not only because of their individual will (Ajzen and Fishbein, 1973). Many meta-analytic reviews and tests have confirmed that TPB provides evidence for the predictive validity of intentions (Chatzisarantis, Hagger and Smith, 2007). According to Sheeran (2002), a few aspects have to be considered for a general review: behavioral type, intention type, properties of behavioral intentions, personality and cognitive variables. Hence, many factors have an influence in the predictive strength of TPB, which prove that TPB is a sound theory that explains, to a large extent, the intention and behavior of the people.

Considering the advantages of the TPB and its usage in the research field, many academicians and practitioners have tried to understand what the factors are that drive young people to behave entrepreneurially. The existing literature review demonstrates the reasons and the ways the new ventures are created, how and when the planning process starts and what intrigues the intentional behavior of the entrepreneurs (Bird, 1988). Entrepreneurship can

be understood through deep analysis and understanding of the entrepreneurial intentions (EI). It is worth mentioning that the TPB was introduced to the EI literature in 1993 by Krueger and Carsrud, in order to predict the different behavioral intentions. According to Bagozzi (1992), when a person wants to achieve a specific goal, he/she has an intention to behave in a certain way, which stimulates the behavior that would lead toward the achievement of that goal. TPB finds its usage in explaining which mechanisms influence the intention of a person to perform a behavior.

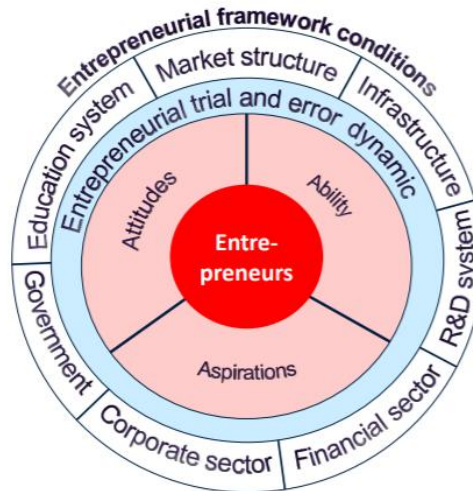
Undoubtedly, TPB has an applicable theoretical framework, which considers both the personal and social factors in predicting the entrepreneurial intention (Iakovleva, Kolvereid and Stephan, 2011). Detecting the theory that will assist in analyzing what drives the people, especially youth, to build their entrepreneurial spirit is as important as fundamentally understanding the meaning and the importance of the entrepreneurship for both developed and developing countries. The existing literature and practice have shown the positive effects that entrepreneurship has in the economic growth and the productivity development. Nevertheless, entrepreneurship has a multidimensional nature and it is a subject of interest to many disciplines: economics, sociology and psychology, which all try to give a summary on the debatable question: what stimulates the self-employability of people and why do different people have different occupational choices. According to Knight (1921), who was among the first to discuss this relatively new field, entrepreneurs are people who exercise responsible control and are risk bearers. According to Evans and Jovanovich (1989), a positive relationship exists between being self-employed and the assets of the entrepreneur. Based on this study, many other studies have tried to estimate the relationship between the probability of being self-employed and a variety of variables, such as education, earnings, age, capital assets, professional status of parents. In other words, many academicians, such as Meyer in 1994, Blanchflower and Oswald in 1998, Douglas and Shepherd in 2002 have tried to determine the driving factors that stimulate the people to be innovative and entrepreneurially active (Grilo, 2006). However, the level of entrepreneurship varies across countries, which is mostly due to the different levels of economic development. Not only the level, but the dynamics of entrepreneurship also differs among different nations, which makes it very difficult to make a comparison or predict certain entrepreneurial behaviors across the countries globally. Considering these differences, many papers such as the one of Grilo and Thurik (2005) have tried to analyze what determines entrepreneurship, using the Eclectic Framework of Entrepreneurship. This framework unifies elements from different fields and levels of analysis in understanding the driving factors of entrepreneurship. According to them, as entrepreneurship proxies are used, business ownership and self-employment represent the basis for constructing static indicators. It is also worth mentioning that the Eclectic Framework distinguishes between actual and natural rates of entrepreneurship. The distinction is usually made between the following

measures: intervention on the macro demand side and the supply side of entrepreneurial opportunities, availability of resources, skills, knowledge of the entrepreneurs, culture and the individual preferences of the people and the risk-reward profile of entrepreneurship (Grilo and Thurik, 2005).

For a long time, entrepreneurship has played key role in economic theory, but, in the past several years, it has re-emerged as a tool for building crucial development strategies across the European Union, US, and the Asian countries. History has shown that the interest in entrepreneurship changes as the conditions, the demographics, social and economic circumstances vary across the countries and the cross-country comparison of entrepreneurship still has its limitations. Nevertheless, some general findings of what stimulates the young people to start their own business have been widely accepted in the theoretical background of entrepreneurship. The cultural aspects, market legislation, social security regimes, wage level relative to self-employment income and the financial support have been shown to be important factors that affect the young people (Grillo and Thurik, 2005). Last, but not least, the cognitive variables in understanding the personal decision-making process provide insight in the complexity of entrepreneurship. Considering this cognitive approach which has proven successful in other fields could be used for further cross-cultural studies in better understanding the entrepreneurial intentions (Linan and Chen, 2009). There is also a need for developing more reliable instruments in analyzing the entrepreneurial perceptions and intentions. The aim of this paper is to enrich the already existing literature of the driving factors for creating entrepreneurial societies and how the TPB can be used in better understanding the innovational intentions of the young people.

Contrary to the traditional belief, the most entrepreneurial countries are not those that have the most entrepreneurs. Entrepreneurship is based more on quality than quantity. Nevertheless, in order to stimulate the population to create startups, the country should have a well-functioning entrepreneurial ecosystem. These ecosystems are usually complex structures, which become alive only through individual-level action. From Figure 1 it can be seen that the first layer of entrepreneurial ecosystems are the entrepreneurs who actually drive the system and make judgment-based decisions. The second component belongs to the institutions, which are described by the author as a key component since they affect the structure of the economic incentives, protect the human and property rights and assist in efficient and effective allocation of the resources. The third component is the systems. The main question is how the ecosystem functions and what factors are necessary and important in order to stimulate entrepreneurial activities (Malecki, 2017).

Figure 1. Entrepreneurship Ecosystem



Source: (Malecki, 2017)

Policy-makers have to take in consideration and properly measure the entrepreneurial ecosystems. Vogel (2013) also states that every country has to properly measure the ecosystem as a whole, finding its strength and weaknesses, if they want to implement effective programs. This enables one country to be benchmarked against another country's ecosystems and assists in detecting their weak side. Considering this, the Regional Entrepreneurship Accelerator Programme (REAP) has been an alternative approach to measurement, developed by the Massachusetts Institute of Technology (MIT) which combines objective data and perceptual measures. In this measurement six factors are considered: people, funding, infrastructure, policy, rewards, norms and demand. The first stage involves a spider diagram, followed by assembling of experts to examine the aspects of the ecosystem that were considered weak. After the assessment, the REAP team identifies priority themes for action (Mason and Brown, 2014).

Recent studies show that women who start a business are usually motivated by making a difference to the world, while men start a business in order to generate higher income. This was also supported by Niels Bosma, Professor at Utrecht University School of Economics, who claims that the new generation of entrepreneurs usually tends to be aspirational in other ways. In many economies worldwide, people are often motivated to start a business because jobs are scarce. An indicator of sustained health of entrepreneurship in an economy is the level of established business ownership (EBO). It has been estimated that less than 2% of the adult population are running good businesses in Puerto Rico, Egypt, Mexico and Oman, 20% in Madagascar, 16% in Brazil, 15% in Guatemala and Ecuador and 14% in Greece. Switzerland is on the top among the countries that support the development of

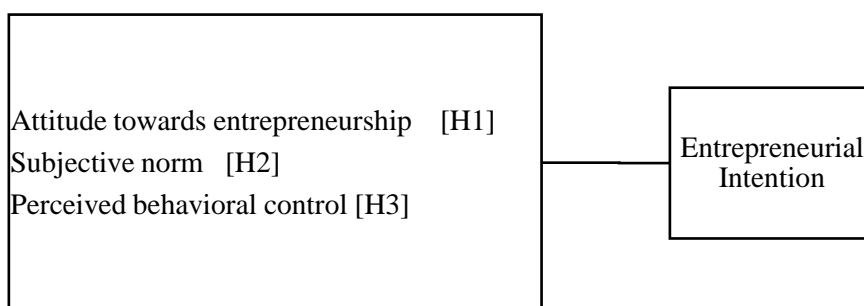
new businesses, followed by Netherlands, Qatar, China and the United Arab Emirates. An important factor contributing to entrepreneurial activities is the physical infrastructure, while the school level is regarded as the weakest condition. In the US, 65.5% of the population is considered to have the knowledge, experience and the skills to start its own business. Currently most of the firms globally are increasingly valuing the entrepreneurship skills amongst the employees (GEM, 2019).

However, since the last financial crisis in 2008, most of the young people in Europe are developing and integrating into society with a certain amount of unpredictability and uncertainty. Societies should prioritize the stimulation of self-employment and entrepreneurship, especially among young people as the driving force of every economy. This is essential to creating new jobs and enhancing the labor market opportunities for those who are unemployed and those who are categorized as disadvantaged groups. Research and policies that drive entrepreneurial intentions could help in better economic inclusion of youth, and lead to full recognition of young people as productive and motivated citizens. Undoubtedly, social inclusion creates sense of belonging, feeling of acceptance in the community, valuation of the person's existence and role in the society and contributes to creation of reasonable social relationships. All these factors lead to the development of a healthy society, motivated young people, which later will provide benefits for everyone (Ridde, Mebarki, Labadie and Fourcoux, 2013).

3. METHODOLOGY

The research model used in this paper is based on the Theory of Planned Behavior (TPB) and its effects on entrepreneurial intention (EI) in a specific national environment, a transitional economy (see Figure 2).

Figure 2. Conceptual Framework



Personal attitudes towards entrepreneurship, subjective norm and perceived behavioral control represent the original elements of TPB (Ajzen, 1991) and are taken into consideration as basic antecedent variables of entrepreneurial intention. The personal attitude towards entrepreneurship represents the degree to which the individual believes that being an entrepreneur is a positive

or a negative thing/position (Ajzen, 2001; Linan and Chen, 2009). Subjective norm indicates the perception concerning the social pressure to be an entrepreneur or not, thus representing the perception that “reference people”, i.e. family, friends, etc. would approve or support the decision to become an entrepreneur, or not (Ajzen, 2001; Linan and Chen, 2009). The third variable of the model, perceived behavioral control, represents the perception of the ease or difficulty of becoming an entrepreneur (Linan and Chen, 2009).

Research shows that these three variables are often considered to be key predictors not only of entrepreneurial intention, but also in any other behavioral context (Ajzen, 1991; Krueger and Carsrud, 1993). Different studies have tested this model in various settings showing its connection with entrepreneurial intention, although sometimes, with conflicting results. Krueger, Reilly and Carsrud (2000) have demonstrated evidence for a positive relationship between the two variables of the model: personal attitude towards entrepreneurship and perceived behavioral control, and entrepreneurial intention, but have failed to find empirical evidence for a positive relationship between subjective norm and entrepreneurial intention. Autio, Keeley and Klofsten (2001) also failed to confirm the positive relationship between subjective norm and entrepreneurial intention. However, several other studies found evidence for a positive relationship between all three antecedent variables and entrepreneurial intention (Kolvereid, 1996; Tkachev and Kolvereid, 1999; Kolvereid and Isaksen, 2006; *Rajh, Jovanov Apasieva, Budak, Ateljević, Davčev and Ognjenović*, 2018). Due to the conflicting results, and while additional research on the matter is encouraged and deemed needed, we propose and test the following hypotheses:

H1: Personal attitude towards entrepreneurship is positively associated with entrepreneurial intention in a transitional economy.

H2: Subjective norm is positively associated with entrepreneurial intention in a transitional economy.

H3: Perceived behavioral control is positively associated with entrepreneurial intention in a transitional economy.

Data were collected using structured, paper-and-pencil self-administered survey in N. Macedonia, a transitional economy. The survey included a set of items derived from the literature and questions about the respondent's gender and the year of study. The items were measured on a five-point Likert-type scale, with values from one (strongly disagree) to five (strongly agree). Items included in the questionnaire were taken from Linan and Chen (2009) and explained the variables of TPB (personal attitude towards entrepreneurship, perceived behavioral control and subjective norm), as well as items regarding entrepreneurial intention.

The sample consists of 317 students of economics and business, constructed with the convenience sampling technique, thus including university students

who were present at the lecture when the survey was conducted. The summary statistics are presented in Table 1.

Table 1. Summary Statistics of Sampled Respondents, n = 317

Year of study			
		Frequency	Percent
Valid	1	2	0.6
	3	204	64.4
	4	111	35.0
	Total	317	100.0
Gender			
		Frequency	Percent
Valid	male	104	32.8
	female	213	67.2
	Total	317	100.0

Source: Author's study

Collected data were analyzed with confirmatory factor analysis (see Table 2) in order to conduct an evaluation of the underlying factor structure and the validity of measurement scales (Anderson and Gerbing, 1988; Churchill, 1979).

Table 2. Confirmatory Factor Analysis Results

Items	CFA factor loadings
Personal attitude towards entrepreneurship	
q1: Being an entrepreneur implies more advantages than disadvantages to me	0.46*
q2: A career as entrepreneur is attractive for me	0.73*
q3: If I had the opportunity and resources, I'd like to start a firm	0.65*
q4: Being an entrepreneur would entail great satisfactions for me	0.79*
q5: Among various options, I would rather be an entrepreneur	0.79*
Perceived behavioral control	
q6: To start a firm and keep it working would be easy for me	0.59*
q7: I am prepared to start a viable firm	0.71*
q8: I can control the creation process of a new firm	0.65*
q9: I know the necessary practical details to start a firm	0.60*
q10: I know how to develop an entrepreneurial project	0.66*
q11: If I tried to start a firm, I would have a high probability of succeeding	0.54*

Subjective norm	
q12: If you decided to create a firm, would people in your close environment approve of that decision? 1. Your close family	0.64*
q13: If you decided to create a firm, would people in your close environment approve of that decision? 2. Your friends	0.90*
q14: If you decided to create a firm, would people in your close environment approve of that decision? 3. Your colleagues	0.79*
Entrepreneurial intention	
q15: I am ready to do anything to be an entrepreneur	0.700*
q16: My professional goal is to become an entrepreneur	0.73*
q17: I will make every effort to start and run my own firm	0.74*
q18: I am determined to create a firm in the future	0.85*
q19: I have very seriously thought of starting a firm	0.74*
q20: I have the firm intention to start a firm some day	0.85*

Note: CFA fit indices: SRMR = 0.08; CFI = 0.8; RMSEA = 0.1; * Factor loadings significant at $p < 0.01$ level;

Source: Author's study

The results of factor analysis show two fit statistics that indicate acceptable fit with one fit statistic indicating a close acceptable fit, i.e. CFA has confirmed the factor structure, and the applied measurement scales exhibit an acceptable level of validity (Suhr, 2006; Hooper, Coughlan and Mullen, 2008). In order to test the hypotheses, multiple regression analysis were conducted, where entrepreneurial intention was specified as a dependent variable and personal attitude towards entrepreneurship, perceived behavioral control, and subjective norm as independent variables. Data analysis was conducted using the software package IBM SPSS.

4. RESULTS AND DISCUSSION

The values of the variables were calculated as arithmetic means of the respective item scores (see Table 3 for descriptive statistics). Based on the descriptive statistics, one can see that young people in N. Macedonia mostly agree with the affirmative statements on entrepreneurial intentions, but even in this case, their entrepreneurial intent is not clear (mean 3.460). They hold relatively positive personal attitude towards being an entrepreneur (mean 4.078); the perceived behavioral control is rated at a medium level (mean 3.445) and subjective norm is perceived as a possible antecedent of entrepreneurial intention (mean 4.195).

Table 3. Descriptive statistics of antecedent variables of TPB

Descriptive Statistics			
	Mean	Std. Deviation	N
Entrepreneurial intention	3.460	0.8533	317
Personal attitude	4.078	0.6250	317
Perceived behavioral control	3.445	0.6525	317
Subjective norm	4.195	0.7891	317

Source: Author's study

From other studies (GEM Report for Macedonia, 2013) one can additionally see that people tend to hold mainly positive perceptions of entrepreneurial activity (50% of the respondents from population of 18-64 years of age believe they have the necessary knowledge and skills to start and manage a business). In addition, 37% of the population sees good opportunities to start a business in the next six months in the area where they live, whereas 29% intend to start a business within the next three years (latent entrepreneurs). This percentage of entrepreneurial intent among the population in Macedonia is higher than in the other Balkan countries (GEM Report for Balkan countries; Rajh, *Jovanov-Asasieva, Budak, Ateljević, Davčev and Ognjenović*, 2018). Even though the methodology and scope of the indicators are different, it is worth putting the results of entrepreneurial intentions in the GEM context, in order to keep track of all possible factors of influence for entrepreneurial intention in the county.

In addition, the deductive statistics looks at the relationship between entrepreneurial intention and the antecedent variables of TPB. Pearson correlation (Table 4) shows positive and significant relation between two of the independent variables (personal attitude and perceived behavioral control) with the dependent variable (entrepreneurial intention). This could indicate that the young people who have a higher positive opinion of entrepreneurs and have higher self-confidence and perception that they can impact the outcome in different situations in life, are likely to have higher entrepreneurial intent (belief that they will create their own company in future).

Table 4. Correlation analysis

Correlations					
		Entrepreneurial intention	Personal attitude	Perceived behavioral control	Subjective norm
Pearson Correlation	Entrepreneurial intention	1.000	0.595*	0.577*	0.182
	Personal attitude	0.595*	1.000	0.371	0.176
	Perceived behavioral control	0.577*	0.371	1.000	0.177
	Subjective norm	0.182	0.176	0.177	1.000
Sig. (1-tailed)	Entrepreneurial intention	.	0.000	0.000	0.001
	Personal attitude	0.000	.	0.000	0.001
	Perceived behavioral control	0.000	0.000	.	0.001
	Subjective norm	0.001	0.001	0.001	.
N		317			

Source: Author's study

On the base of the positive correlation between the independent variables and Entrepreneurial intention, a multiple regression analysis was conducted, to test the effect of the positive personal attitude towards entrepreneurship, the level of perceived behavioral control and subjective norm on entrepreneurial intention (testing on the basis of linear regression). The results in Table 5 (according to the rule of decision-making: $t > t_{df,\alpha}$) reveal that two of the variables from the model, i.e. personal attitude towards entrepreneurship and perceived behavioral control, have a direct effect on entrepreneurial intention. The regression analysis did not show any effect on intention from the variable subjective norm.

Table 5.Regression Analysis – Dependent Variable: Entrepreneurial Intention

Independent variables	Macedonia
	Standardized coefficients (std. error) (t test)
Personal attitude towards entrepreneurship	0.438* (0.05) (10.125)
Perceived behavioral control	0.409* (0.05) (9.467)
Subjective norm	0.033 (0.04) (0.812)
Number of observations	317
Model fit	Adj. R ² = 0.503; F-value = 105.563 p = 0.000

Note: * significant at p < 0.001 level;

Source: Author's study

The results of the multiple regression analysis indicate that entrepreneurial intentions are positively and significantly linked to young peoples' personal attitude towards entrepreneurship and perceived behavioral control, thus confirming the H1 and H3 hypotheses. The variable subjective norm was not proved to be a statistically significant predictor of entrepreneurial intention and H2 hypothesis was not supported. The findings on the effect of the two variables of the model are in line with research in other countries (Krueger, Reilly and Carsrud, 2000; Kolvereid and Isaksen, 2006; Rajh, *Jovanov- Apasieva, Budak, Ateljević, Davčev and Ognjenović*, 2018). However, from the results it can be seen that even in the case when young people have a positive perception of being an entrepreneur (perceiving the career of an entrepreneur as attractive, with more advantages than disadvantages), and also have a higher level of self-confidence in being able to control the outcome in different situations in life, they still do not show a clear and high entrepreneurial intent (mean 3.4). The higher positive attitude and perceived behavioral control may be connected to the fact that these are students of economics and business and have more knowledge on the subject. It may also be due to the fact that the questions represent only future intentions, without holding them accountable for real actions and choices. The lack of effect on intent from the variable subjective norm (the support of close friends and family for future business undertaking) remains conflicting as a result; bearing in mind that previous research has sometimes failed to prove its effect (Autio, Keely and Klofsten, 2001) and sometimes has succeeded in doing so (Rajh,

Jovanov-Aspasieva, Budak, Ateljević, Davčev and Ognjenović, 2018). Therefore, we believe that further research is needed in order to clarify the underlying reasons for these conflicting results, why young people do not find the support of family and friends as encouraging and important as personal attitude and perceived behavioral control? Can it be that these young people who are still unemployed, but are currently educating themselves and are committed to the idea of starting their own business, consider this to be their own responsibility? If this is true, then policy makers should consider changes in the educational system in order to include subjects that improve and increase the self-confidence through know-how and soft skills, as well as, subjects that enhance the knowledge of entrepreneurship and running a business in general.

5. CONCLUSION

Considering the existing literature review and the results that were obtained in this research paper, it can be concluded that entrepreneurship is very important for every country that wants to prosper and grow. Entrepreneurship provides job opportunities, improves the economy and enhances the growth of social welfare. Entrepreneurs can change the way people live and work and they can have an impact on the standards of living, since research has proven that countries that are open to innovation and change have stronger capital, higher level of output and productivity (Pahuja and Sanjeev, 2016).

Governments around the world should recognize the potential of young people to become entrepreneurs and contribute to the society. Policies for social inclusion of young people in societies are of great importance. Currently, the recognition of the potential of the young people is of interest to many developed economies, and the results have proved to be positive and beneficial for the whole society (Fielden, 2015).

This research paper focuses on the determinants of entrepreneurial intentions in a transitional economy, provides insights into the attitudes and behavior of young people, future entrepreneurs-to-be. Bearing in mind that “from a youth perspective, social inclusion is the process of individual's self-realisation within a society, acceptance and recognition of one's potential by social institutions, integration (through study, employment, volunteer work or other forms of participation) in the web of social relations in a community” (Kovacheva, 2020), These underlying factors of entrepreneurial intent (young people's plan to start their own business as an employment opportunity) should be actively and continuously studied.

The study presents the basic variables from the Theory of Planned Behavior and their impact on entrepreneurial intent. The results indicate that young people in N. Macedonia, as a transitional economy, have no clear entrepreneurial intent. This could hinder young people's abilities to integrate successfully in the society, as it makes their self-employment probability more uncertain. This should be further examined, especially because the

findings show that the entrepreneurial intent, although not very strong, is positively associated with two of the basic variables of TPB: positive personal attitude toward entrepreneurship (being an entrepreneur implies more advantages than disadvantages; a career as entrepreneur is attractive; being an entrepreneur is perceived as satisfactory; entrepreneurship is seen as a better choice than other employment possibilities) and perceived behavioral control (beliefs that starting a firm would be easy; strong preparedness to start a firm; capability in controlling the creation process of a firm; possession of a necessary knowledge and know-how to start a firm; probability of succeeding).

Having in mind the scope of this research, the focus on the business students limits the extension of conclusions for the general population, but it indicates that education could help in creating a beneficial climate for fostering entrepreneurial intentions, especially among young people (Cieslik and Van Stel, 2017).

Future research should include control variables and examine the effect of age, gender or year of study on the outcome of the results. In addition, young people with different educational background could be included, in order to broaden the characteristics of the sample. Future research should also test for additional antecedent variables (risk-taking propensity, other personal variables, contextual variables etc.) as factors that influence entrepreneurial intentions.

These findings are of importance for policy makers, especially in considering the needs of the educational system that should reflect the needs and ways of thinking of young people, in order to help them make the transition from family dependence to autonomy through self-employment, within the larger society, under rapidly evolving circumstances. Additionally, a promotional strategy for entrepreneurship could be of use, especially in promoting the image of entrepreneurship and starting one's own business as not more difficult or different from considering a career in large organizations or in the state and/or informal sector. For those young people with entrepreneurial intentions, institutions are important in order to realize their intentions by actually setting up a business. Therefore, further improvement of the business environment should also be an important target for policymakers in the coming years.

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Appendix

TPB and Entrepreneurial intention scale (Linan, Chen 2009)

Personal Attitude (towards Entrepreneurship)

1. Being an entrepreneur implies more advantages than disadvantages to me
2. A career as entrepreneur is attractive for me
3. If I had the opportunity and resources, I'd like to start a firm
4. Being an entrepreneur would entail great satisfactions for me
5. Among various options, I would rather be an entrepreneur

Perceived Behavioral Control

1. To start a firm and keep it working would be easy for me
2. I am prepared to start a viable firm
3. I can control the creation process of a new firm
4. I know the necessary practical details to start a firm
5. I know how to develop an entrepreneurial project
6. If I tried to start a firm, I would have a high probability of succeeding

Social (subjective) Norm

If you decided to create a firm, would people in your close environment approve of that decision? Indicate from 1 (total disapproval) to 7 (total approval).

1. Your close family
2. Your friends
3. Your colleagues

Entrepreneurial Intention

1. I am ready to do anything to be an entrepreneur
2. My professional goal is to become an entrepreneur
3. I will make every effort to start and run my own firm
4. I am determined to create a firm in the future
5. I have very seriously thought of starting a firm
6. I have the firm intention to start a firm some day

