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FACTORS AFFECTING ENTREPRENEURIAL INTENTIONS AMONG THE YOUTHS: AN EVIDENCE IN THAI NGUYEN CITY

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ABSTRACT

Entrepreneurship plays a vital role in promoting economic growth, innovation, and job creation, particularly in developing economies. In Vietnam, encouraging youth entrepreneurship has become an important policy priority; however, entrepreneurial intention among young people remains relatively limited in many local contexts. This study aims to examine the key factors influencing entrepreneurial intention among youths in Thai Nguyen City, Vietnam. A quantitative research approach was employed using survey data from 398 young respondents. Reliability analysis, exploratory factor analysis (EFA), and multiple regression analysis were conducted to examine the relationships between entrepreneurial intention and its determinants, including attitude toward entrepreneurship, entrepreneurial motivation, subjective norms, entrepreneurship education, and perceived behavioral control. The results reveal that attitude toward entrepreneurship, entrepreneurial motivation, and entrepreneurship education have significant positive effects on entrepreneurial intention, with attitude toward entrepreneurship emerging as the strongest predictor. In contrast, subjective norms show a significant negative influence, while perceived behavioral control does not have a statistically significant effect. The findings provide practical implications for policymakers and educational institutions in promoting youth entrepreneurship through enhanced entrepreneurship education and supportive entrepreneurial environments.

Keyword: Entrepreneurial intention; Youth entrepreneurship; Entrepreneurship education; Entrepreneurial motivation; Vietnam.

1. INTRODUCTION

Entrepreneurship is widely recognized as a major driver of economic growth, innovation, and employment creation. In many countries, governments and educational institutions have increasingly promoted entrepreneurial activities, particularly among young people, to strengthen economic competitiveness and sustainable development. In Vietnam, the private sector contributes significantly to national GDP and job creation; however, the overall rate of business formation remains relatively low compared to other regional economies. As a result, encouraging youth entrepreneurship has become an important national development priority.

Previous studies have identified various determinants of entrepreneurial intention, including entrepreneurial attitude, motivation, social influence, education, and perceived behavioral control. The Theory of Planned Behavior (TPB) suggests that favorable attitudes, supportive social norms, and confidence in entrepreneurial capabilities can positively influence entrepreneurial intention. In addition, entrepreneurship education and internal motivations such as independence and self-achievement are considered important factors shaping young people's willingness to start a business.

Thai Nguyen City provides a relevant context for examining youth entrepreneurial intention because it possesses a large youth population and several universities and vocational institutions. Despite these favorable conditions, the number of youth-led startups remains limited, while youth unemployment continues to present challenges for local development. Therefore, this study aims to investigate the factors affecting entrepreneurial intention among youths in Thai Nguyen City, thereby providing practical implications for policymakers, educational institutions, and entrepreneurship support organizations.

2. THEORETICAL FRAMEWORK

2.1. Theory of Planned Behavior (TPB)

One of the psychological theories most commonly used in entrepreneurship research is the Theory of Planned Behavior (TPB), developed by Ajzen (1991). This theory is built upon the Theory of Reasoned Action by Fishbein and Ajzen (1975) and proposes a rigorous theoretical framework for understanding and predicting entrepreneurial actions.

Entrepreneurial intention depends on three main determinants. First is attitude toward behavior, reflecting the degree to which a person evaluates the action positively or negatively (Ajzen, 1991). Second is subjective norm, referring to an individual's perception of social pressure from family, friends, and colleagues (Nabi et al., 2011; Krueger et al., 2000). Social support is considered an essential component of social capital for entrepreneurial behavior (Alexander & Honig, 2016). Third is perceived behavioral control, referring to the individual's perception of their ability and feasibility to perform the planned behavior (Alexander & Honig, 2016). The TPB posits that an individual will intend to perform a behavior when attitude and subjective norm are favorable and perceived behavioral control is high (Kolvereid & Moen, 1997).

Entrepreneurial attitude, subjective norms, and perceived behavioral control do not necessarily propel an individual directly into business creation; rather, they operate indirectly through intention. Demographic and personality characteristics such as age, gender, tolerance for ambiguity, innovativeness, and creativity are exogenous variables that can directly and indirectly impact entrepreneurial behavior through intention (Krueger, 1993).

2.2. Entrepreneurial Event Model

Shapero and Sokol (1982) introduced the Entrepreneurial Event Model, emphasizing the role of economic, cultural, social, and environmental contexts in influencing the probability of entrepreneurship. Context not only impacts individual entrepreneurs but also affects entrepreneurial groups and organizations. Perceptions of desirability, behavioral tendencies, and feasibility are variables capable of predicting entrepreneurial intentions.

The social context regarding entrepreneurial intention is crucial, particularly the adaptability of the individual entrepreneur (Linksvayer & Janssen, 2008). In countries with a collectivist cultural background, the influence of social networks, family, and community significantly shapes the entrepreneurial behavior of each individual.

2.3. Expectancy-Value Theory

The Expectancy-Value Theory relates to an individual's level of expectancy and the perceived value aimed at specific goals. An individual with high expectations combined with a high valuation of a desired outcome will be more motivated to pursue it and engage in more goal-directed behavior (Lynd-Stevenson, 1999). Applied to entrepreneurship, the higher an individual's expectations and valuation of entrepreneurial outcomes, the more motivated they will be to initiate entrepreneurial activities.

The Utility Maximizing Response model by Douglas and Shepherd (2000) explains why some individuals intend to become entrepreneurs while others prefer organizational employment. Individuals will pursue entrepreneurship if it offers the highest expected utility—encompassing potential income, independence, and psychological satisfaction—while accounting for the disutility associated with risk-taking, effort, and uncertainty.

2.4. Entrepreneurial Intention Theory

Entrepreneurial intention is defined as an individual's intention to initiate a business venture—a motivational state driving the individual toward establishing a new enterprise (Wu & Wu, 2008; Miranda et al., 2017). Entrepreneurial individuals develop intentions through self-awareness of their thinking and actions, modulated by adaptability, defined as the capacity to adjust to new situations (Merriam-Webster, 1987).

Entrepreneurial individuals translate intention into action through the feasibility modulator mechanism, converting business ideas into an adaptive mindset involving goal-setting, planning, and risk quantification. Intention serves as a crucial bridge between entrepreneurial aspirations and the realization of entrepreneurship. Social context strongly influences entrepreneurial intention through

entrepreneurial networks, family, and community, reinforcing the individual's entrepreneurial motivation (Coase & Wang, 2011).

3. METHODOLOGY

This study employed a quantitative research approach to examine the factors affecting entrepreneurial intention among youths in Thai Nguyen City, Vietnam. Primary data were collected through a structured questionnaire survey. Based on the recommended observation-to-variable ratio for EFA, a minimum sample size of 190 observations was required; the study obtained 398 valid responses from 500 distributed questionnaires, ensuring sufficient reliability for statistical analysis.

The research model included six constructs measured using Likert-scale items: attitude toward entrepreneurship (AT), subjective norms (SN), perceived behavioral control (PCB), entrepreneurial intention (EI), entrepreneurship education (EE), and entrepreneurial motivation (EM). Data analysis was conducted in three stages: (1) Cronbach's Alpha to assess scale reliability; (2) exploratory factor analysis (EFA) to evaluate construct validity; and (3) multiple regression analysis to identify relationships between the independent variables and entrepreneurial intention.

4. FINDINGS

4.1. Cronbach's Alpha

The results of the Cronbach's Alpha test indicate that several items were unsuitable and therefore removed, including AT1, AT4, AT6, EM6, EE1, EE6, PCB1, and PCB2. After eliminating these items, all remaining variables achieved Cronbach's Alpha coefficients greater than 0.7. All item-to-total correlations exceeded 0.3, and the Cronbach's Alpha values if an item were deleted were all lower than the overall coefficient. Therefore, the scales meet the required standards for subsequent analyses (Table 1).

Table 1. Cronbach's Alpha Test Results

Variables	Cronbach's Alpha	N of Items
AT	0.756	6
PCB	0.762	5
SN	0.870	5
EM	0.875	6
EE	0.765	7
EI	0.829	9

Source: Calculated from the author's survey data

4.2. Regression Model

According to Table 2, based on the t-test with sig. < 0.05, the variables AT, EM, SN, and EE are statistically significant and influence entrepreneurial intention (EI), while PCB has sig. = 0.334 > 0.05 and is therefore not statistically significant. Variance inflation factors (VIF) are all below 2, indicating no multicollinearity. The regression equation is:

$$EI = 1.828 + 0.383AT + 0.146EM - 0.104SN + 0.183EE$$

First, attitude toward entrepreneurship has the strongest positive effect on entrepreneurial intention ($\beta = 0.383$, $p < 0.001$), supporting the TPB assumption that favorable attitudes toward entrepreneurship lead to stronger entrepreneurial intentions. This result is consistent with prior studies identifying entrepreneurial attitude as the most influential determinant of entrepreneurial intention among young people.

Second, entrepreneurial motivation has a significant positive impact ($\beta = 0.146$, $p = 0.002$), indicating that individuals with stronger internal motivations—such as the desire for independence, self-achievement, and financial success—are more likely to consider starting their own businesses.

Third, entrepreneurship education significantly enhances entrepreneurial intention ($\beta = 0.183$, $p < 0.001$), suggesting that exposure to entrepreneurship-related knowledge, training, and educational programs improves young people's awareness, confidence, and preparedness for starting a business.

Fourth, subjective norms show a significant negative effect ($\beta = -0.104$, $p = 0.016$). In the Vietnamese cultural context, stable employment in established organizations is often perceived as a safer career path, which may explain why social expectations negatively influence entrepreneurial intentions.

Finally, perceived behavioral control does not show a statistically significant relationship with entrepreneurial intention ($\beta = 0.042$, $p = 0.334$).

Many young people may still lack practical entrepreneurial experience or financial resources, such that perceived control does not yet translate into a clear intention to start a business.

Table 2. Regression Coefficients

Variable	B	Std.Error	Beta	t	Sig.	Tolerance	VIF
Constant	1.828	.304		6.007	.000		
AT	.316	.038	.383	8.259	.000	.815	1.228
EM	.134	.043	.146	3.130	.002	.807	1.239
SN	-.110	.046	-.104	-2.428	.016	.949	1.054
EE	.156	.038	.183	4.091	.000	.877	1.140
PCB	.047	.048	.042	.968	.334	.953	1.049

Note: Dependent Variable: EI

Source: Calculated from the author's survey data

5. CONCLUSIONS

This study examined the factors affecting entrepreneurial intention among youths in Thai Nguyen City. The findings indicate that attitude toward entrepreneurship, entrepreneurial motivation, and entrepreneurship education positively influence entrepreneurial intention, while subjective norms negatively affect it. Among these factors, entrepreneurial attitude has the strongest impact, whereas perceived behavioral control does not show a statistically significant relationship.

Educational institutions should strengthen entrepreneurship education through practical training and startup-oriented activities, while government agencies should develop supportive policies such as financial assistance, mentoring programs, and startup support mechanisms. Creating a more favorable entrepreneurial environment may further encourage young people to pursue entrepreneurial careers.

Despite its contributions, the study has some limitations, including its focus on a single locality and a limited number of explanatory variables. Future research could expand the geographical scope, incorporate additional factors related to the entrepreneurial ecosystem, and apply longitudinal approaches to better understand the development of entrepreneurial intention over time.

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