

UNIVERSITI TEKNOLOGI MARA

**CULTURAL DISCONFORMITY AND
ITS INFLUENCE ON THE
RELATIONSHIP BETWEEN
PERSONALITY TRAITS AND
ENTREPRENEURIAL INTENTION
AMONG STUDENT YOUTHS OF
SAUDI ARABIA**

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ABSTRACT

Saudi Arabia has a unique culture and society, which has influence on the way entrepreneurship is perceived and experienced. Research about entrepreneurs in the Middle East and North Africa Region (MENA) and particularly in Saudi Arabia is, however, still in its infancy. This study is among the first to explore entrepreneurship within the Kingdom of Saudi Arabia. The aim of the present research study is twofold. Firstly, it attempts to assess the appropriateness of using personality traits to explain entrepreneurial intention. Secondly, it explores the possible moderating role of Cultural Disconformity in affecting the relationship between traits and intention. To meet the objectives of the study, this research focuses on the youths of the Kingdom, represented by students of public and private universities. The research utilises the Traits theory and the National Culture theory, as well as the interplay between these two (2) theories to explain Entrepreneurial Intention. The research framework introduces Cultural Disconformity as the moderating variable in affecting the relationship of five (5) selected personality traits as the independent variables; Locus of Control, Innovativeness, Independence, Proactive-ness and Need for Achievement with the dependent variable Entrepreneurial Intention. The research was carried out involving 370 respondents from five (5) public universities in the kingdom. The results of this study found that youths in Saudi Arabia exhibit high intention to choose entrepreneurship as a career choice. The research finds significant relationship between three (3) independent variables; Proactive-ness, Innovativeness and Need for Achievement with Entrepreneurial Intention. The research, however, fails to establish similar relationships between Locus of Control and Independence with Entrepreneurial Intention. Additionally, the research also finds that Cultural Disconformity fails to moderate the relationships between the independent variables and the dependent variable. Despite the limitations of this research, the author provides a comprehensive list of recommendations and suggestions for future research but also give practical proposals to policy makers, universities leaders and other decisions makers, stakeholders in both public and private sectors in designing better policies to achieve the Saudi government's Vision 2030 which aims to foster entrepreneurship in Saudi Arabia.

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“Whoever follows a path in the pursuit of knowledge, Allah will make a path to Paradise easy for him

- Prophet Mohammad, peace be upon him. Narrated by Al-Bukhaari

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This introductory chapter begins with an overview of the study followed by the research outlines. Subsequently, the discussion on the background of the study follows the research outlines. This chapter also includes the problem statement, purpose of the study, and research objectives. Besides that, the research questions, significance and scope of the study are elaborated as part of the chapter, other than the limitations and assumptions, as well as the definition of terms used in this study.

To begin with, this chapter elaborates on the impact that entrepreneurial activity has on the economic development of a country. The background of this study highlights the beginning of entrepreneurial endeavors in Saudi Arabia; hence the relevance and importance of this study. The findings of this study will contribute to future interest in entrepreneurship among Saudi people and its government.

In the world of business studies, it is well recognized that entrepreneurship plays a dynamic role in creating employment opportunities. The recognition is evident with the assertion that entrepreneurship is a key activity in searching for business opportunities, besides creating new ventures and hugely contributing to wealth creation. As a result, activities involving entrepreneurship prominently contribute to wider economic development and better resource utilization.

In the early 2000s, the Saudi government began to realize how vital entrepreneurship is to Saudi Arabia's economy and society. For years, the kingdom has been receiving foreign investment and accepting many foreign entrepreneurs to set up their business in the country. Many locals have emulated; they have learnt to seize opportunities and to own their own ventures. Nevertheless, to the researcher's knowledge, few empirical studies have been conducted in the field of entrepreneurship.