Redefining the link between Subjective Norm and Entrepreneurship Intention: Mediating Effect of Locus of Control

Nurul Hidayana Mohd Noor¹, Mahazril 'Aini Yaacob², Noralina Omar³

^{1,2}Faculty of Administrative Science and Policy Studies, UiTM Seremban 3, Negeri Sembilan, Malaysia ³Faculty of Arts and Social Sciences, Universiti Malaya, Kuala Lumpur, Malaysia

Corresponding author email: hidayana@uitm.edu.my

Abstract - Entrepreneurship acts as a panacea for improving country growth and is prevalent in reducing the unemployment rate. A plethora of studies have focused on the main determinants that affect people's intention to become an entrepreneur. The entrepreneurship intention research is mainly focused on the influence of the external environment and the individual personality aspects are not sufficiently considered. This study examines the mediating effect of locus of control in the relationship between subjective norm and youth entrepreneurship intention. This study is based on a cross-sectional online survey design. The sample includes 248 Malaysian youth. The variables are measured based on the adapted scales and IBM SPSS 27 was used for the statistical analysis. Data were analysed using regression analysis to assess the possible mediating effect of locus of control. The present study provides evidence that locus of control partially mediates the relationship between subjective norm and entrepreneurship intention. Thus, this study concluded how entrepreneurs differ from the rest of the population in terms of locus of control. This study contributes to entrepreneurship literature by revealing that individuals with a high internal locus of control are more likely to become entrepreneurs.

Keywords - Ajzen's theory of planned behaviour, entrepreneurship intention, locus of control, subjective norm

ARTICLE INFO

Received 9 April 2021 Received in revised form 1 May 2021 Accepted 15 June 2021 Published 21 June 2021

I. Introduction

Entrepreneurship can be defined as the mindset and behaviour that focus on the development of ideas, the willingness to take the risk, and continuous improvement and learning orientation (López-Meri, Alonso-Muñoz, & Casero-Ripollés, 2021). Across the globe, entrepreneurial activities have received significant concern by the governmental institution and agencies since it acts as the leading enabler of economic growth and development (Klofsten et al., 2019; Sergi et al., 2019). Based on the global entrepreneurship landscape scanning analysis, ASEAN countries such as Singapore (Research, Innovation and Enterprise 2020 Plan), Thailand (4th SME Promotion Master Plan 2017-2021), Vietnam (National Innovative Start-up Ecosystem to 2025 Project), and Indonesia (National Medium Term Development Plan 2015-2019) have already introduced the policies that focus on the development of entrepreneurs of Small and Medium Enterprises (SMEs) (National Entrepreneurship Policy 2030, Ministry of Entrepreneur Development and Cooperatives, 2021).

Entrepreneurial activities help boost the country's real Gross Domestic Product (GDP) since it can stimulate investment, promote diversity in products and services, improve productivity, and produce new job opportunities (Nowiński & Haddoud, 2019). In Malaysia, entrepreneurship has flourished and is considered the main actor of economic growth. For instance, based on the data disclosed by the Department of Statistics, Malaysia (DOSM) (2019), Small and Medium Enterprises (SMEs) contribution to the overall GDP has increased to 38.9% in 2019 as compared to 38.3% in 2018. Malaysia's constant moving towards entrepreneurship is also reflected in various entrepreneurship global indexes such as the Global Entrepreneurship Index (GEI), Global Competitiveness Report (GCR), Global Innovation Index (GII), and Doing Business. Compared with 190 countries, Malaysia's ranking in the Doing Business Index also has improved from 15th rank in 2018 to 12th rank in 2020 (Subnational Doing Business, 2020).

Furthermore, youth entrepreneurship has received significant attention from policymakers and scholars since it is crucial in reducing unemployment, especially among fresh graduates. Recent statistics produced by the Department of Statistics of Malaysia (2020) have shown that with the outbreak of COVID-19, Malaysia's unemployment rate sharply rose to 4.5% in 2020 (Shaheera Aznam, February 8, 2021). This study was focused on youth entrepreneurship and following the recommendations from Chigunta (2002) which indicate the evaluation of youth entrepreneurship must include all stages of entrepreneurship development. As highlighted by the United Nation (UN), youth entrepreneurs can be defined based on three age brackets: 1) preentrepreneurship stage (15-19 years old); 2) the growth stage (20-25 years old), and 3) the prime stage (26-29 years old). Based on the Malaysian National Youth Development Policy (1997), young people in Malaysia refer to the age range of 15 – 40 and country youth development involves young people from 18 – 25 year of age. This study defined the youth as those within the age category of 18-29.

Many young entrepreneurs are extremely ambitious in doing business. However, most of them lack business capabilities and resources (Shane, Locke, & Collins, 2012; Ridha, & Wahyu, 2017). In other words, the level of readiness and motivation is lower due to the lack of exposure to entrepreneurial activities (Barringer & Ireland, 2015). Due to the importance of fostering entrepreneurship in the country, various programs and supports for entrepreneurial activities such as capital support, innovation, capacity building, structural development, commercialisation, social entrepreneurs, and internationalisation have been implemented. The Malaysian government has established the National Entrepreneurship Policy (NEP) 2030 as a blueprint to promote entrepreneurship. Among the objectives include creating a conducive entrepreneurship environment to support economic goals, inculcating entrepreneurship thinking among Malaysians, producing high-quality entrepreneurs, improving small and medium enterprises (SMEs), and promoting self-employed as a preferred career. Furthermore, several critical strategic thrusts also have been proposed under NEP 2030, one of which is fostering an entrepreneurship culture among Malaysians (National Entrepreneurship Policy 2030, Ministry of Entrepreneur Development and Cooperatives, 2021). The Higher Learning Institutions Entrepreneurship Policy and Strategic Plan have also been introduced to instill entrepreneurship values and promote self-employment.

This research underpinned by the Theory of Planned Behaviour postulates that subjective norms could affect people's intention in doing business. Empirical studies such as Bozhikin, Macke, and da Costa (2019), Farooq et al. (2018), and Agarwal et al. (2020) have confirmed that subjective norms could either influence or restrict entrepreneurship. However, most of the previous research has primarily focused on determining the relationship between subjective norm and entrepreneurship intention, but how this relationship is mediated by personality factors such as locus of control remains unclear (Asante, & Affum-Osei, 2019; Ndofirepi, 2020). Thus, this study aims to bridge this gap by determining the direct effect of subjective norm on entrepreneurship intention and explaining how this relationship is mediated by locus of control. Locus of control can be described as the degree of control over one's life due to determination (internal) or fate (external) (Rotter, 1954). Those who have higher internal locus control will engage more in entrepreneurship and are willing to face business risks (Karabulut, 2016). Our findings are expected to contribute to the scholarly debate on the under-researched in the current literature.

The remainder of the paper is structured as follows. The following section discusses literature and how it helps in formulating the hypothesis. The next section explains the methodology, results, and discussion. This paper ends with a summary and conclusion.

II. Ajzen's Theory of Planned Behaviour

Social psychologist Ajzen (1987) has introduced the Theory of Planned Behaviour (TPB) to examine the determinants of human intention and behaviour. Figure 1 presents the TPB model. The theory identifies three main determinants such as personal attitude, perceived social norm, and perceived behavioural control. Attitude refers to whether the person is favour or unfavored in performing the behaviour (Krueger et al., 2000). For example, negative judgments about online shopping will decrease future intention to perform online shopping behaviour. In entrepreneurship, if an individual has a positive attitude towards self-employment, the desire to become an entrepreneur is higher.

In comparison, subjective norm refers to external social pressure or support that affects an individual to perform or not a particular behaviour. For example, observing friends' opinions in investing will inculcate people's intention in enacting the behaviour. In entrepreneurship, if the individual's family and friends' expectations about the desirability of becoming an entrepreneur are essential, an individual will be motivated to comply with the behaviour (Krueger et al., 2000). Finally, perceived behavioural control refers to controlling factors such as law, rule, capital, structural, and others that could hinder or support the individual action. For example, not sufficiently skilled in conducting an appraisal will discourage people from performing the behaviour. When individuals have personal control over a given situation, they will have a high perceived ability to become an entrepreneur (Aragon-Sanchez, Baixauli-Soler, & Carrasco-Hernandez, 2017; Jena, 2020). TPB proposes that intention could influence a particular behaviour in which intention is determined by attitude, subjective norm, and perceived behaviour control. The determinants are interrelated to each other, in which one determinant could also influence another determinant. For instance, the support from peers and family can help to enhance individual attitude. Previous studies have also integrated TPB with entrepreneurship in the context of youth studies (e.g., Al-Mamary et al., 2020; Ridha, & Wahyu, 2017). Sharahiley (2020) for instance has found that innovativeness emerged as the strongest predictor of entrepreneurial intention and behaviour.

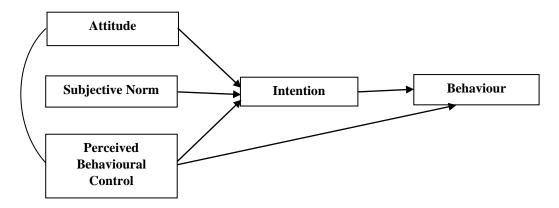


Figure 1: Ajzen's Theory of Planned Behaviour (TPB)

III. Entrepreneurial Intention

Entrepreneurial intention refers to "a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so in the future" (Thompson, 2009, p.676). Entrepreneurial intention is a strong indicator of entrepreneurial behaviour (Lee-Ross, 2017; Liñán & Fayolle, 2015). According to Lans et al. (2010), entrepreneurship intention can be classified into three categories. First is the start-up stage, when an individual intends to develop a new business or venture (Thompson, 2009). Second refers to the intention to continue a company or acquired firm (Lans et al., 2014). The third is the intrapreneurial intention, which refers to an individual's motivation to develop entrepreneurship skills and abilities (Lans et al., 2014). Therefore, different categories required different strategies and training. Besides, Shane and Venkataraman (2000) also highlighted two motives of entrepreneurial intentions: establishing new companies or adding value to the existing companies. According to the TPB, entrepreneurial intention's determination could be explained by involving two or three enablers such as attitude, perceived behavioural control, and subjective

norm (Ajzen, 2002). Most of the literature has acknowledged the significant influence of entrepreneurial intentions on entrepreneurship behaviour and action (Cera et al., 2020).

Previous studies have related entrepreneurship intentions with the influence of demographic factors. Lin and Wang (2019) revealed that age determines entrepreneurship intention where the youngsters are more energetic and dedicated to becoming an entrepreneur than the older. On the other hand, Nguyen (2018) has revealed that men are more determined to start up a business than women. Many studies have also discovered a family background where wealthy families or parents have significantly influenced entrepreneurship's positive intention (Jemal, 2017). In addition to demographic characteristics, individual factors such as motivation, self-esteem, risk-taking, and locus of control also denote a significant influence on entrepreneurship intention (Yasir et al., 2019). Other scholars have also associated social support such as parents, faculties, or professionals in inspiring entrepreneurship intentions (Nowiński & Haddoud, 2019).

IV. Subjective Norm

Social support such as family members, friends, peers, mentors, employers, university, faculty, community, and others could influence individual attitude and behaviour either to engage or not to engage in a specific behaviour (Azjen, 1991). Both theories of planned behaviour and social cognitive career theory contempt that subjective norm or social support forms an important factor in enhancing entrepreneurship intention and behaviour. Subjective norm is significant since entrepreneurship involves a social activity and function, and the interaction with the community could help reduce certain risks. Therefore, scholars argued that subjective norms could play a significant role in encouraging entrepreneurial behaviour among people (Farooq et al., 2018). Prior research by Santos and Liguori (2019) has discovered the positive influence of subjective norms on individual motivation to excel with entrepreneurial intentions. Subjective norms could directly or indirectly influence entrepreneurship intention. For instance, if one family member has a business, an individual might indirectly intend to join the business. On the other hand, the direct influence of subjective norms refers to an individual who has a mentor to help them obtain key resources such as loan support or industry network. Therefore, the favourable subjective norm could deliver positive consequences for entrepreneurial behaviour. Similarly, based on a total of 137 private university students, Ahmad et al. (2019) found that attitude and subjective norm significantly influence attractiveness and viability elements, which in turn affect entrepreneurial intention. Noor and Malek (2021) revealed that subjective norm strongly influences undergraduate student entrepreneurship intentions (r= 0.750, p= 0.000).

V. Locus of Control

Locus of control simply refers to the extent to which the individuals believe they can control the event or situation (Rotter, 1996). Locus of control is a personality characteristic that drives an individual's inner motivation (Zigarmi et al., 2018). Scholars have divided the locus of control into two categories. First is the internal locus of control. The association between internal locus of control with entrepreneurship intention and behaviour has been widely examined (e.g., Tentama & Abdussalam, 2020; Asante & Affum-Osei, 2019). Internal locus of control refers to individual abilities to control the situation or variable that could affect their action or behaviour (Lefcourt, 2014). These people are risk-takers and achievement-oriented people and will look entrepreneurial as an excitement. Those with high internal locus are also able to encounter disappointments and withdrawal and have outstanding preservation. These individuals strongly believe in their competencies and positively react to the upcoming obstacles (Hsiao et al., 2016). The entrepreneur with a high internal locus of control will have abilities to control their life and believe that business achievement can be obtained. It can create an advantage for them, mainly when operating in a competitive environment (Bulmash, 2016). Entrepreneurs with high internal locus control also have abilities to adapt through the process of learning and experience (Torres et al., 2017; Vodă & Florea, 2019).

On the other hand, those with a high external locus of control will believe that they cannot control the situation or control destiny, and they are likely to believe in luck and fate (Littunen & Storhammar, 2000). The support from others could help them to venture into entrepreneurship. Arkorful and Hilton (2021) have revealed that both internal and external locus of control influence entrepreneurial intention, and interestingly, external locus of control has more influence on entrepreneurial intention. In proposing the mediation effect of locus of control, a plethora of research always tries to ascertain whether independent variables affect dependent variables.

Relating to this study, we discovered that there are two significant claims. First, some researchers argued that locus of control directly affects entrepreneurship intention (Tentama & Abdussalam, 2020; Vodă & Nelu, 2019). On the other hand, other groups claimed that an investigation on the mediation role of locus of control is needed (Sajilan, Hadi, & Tehseen, 2015; Ndofirepi, 2020). Supporting the second claim, we believe that a third

variable may clarify the causal relationships. The findings could be valuable references from developing countries such as Malaysia and would contribute immensely to existing literature. Based on the results, the following hypotheses are formulated:

- H1. Subjective norm significantly relates to entrepreneurship intention.
- H2. Subjective norm is significantly related to locus of control.
- H3. Locus of control significantly relates to entrepreneurship intention.
- H4. Locus of control mediates the relationship between subjective norm and entrepreneurship intention.

Figure 2 shows the conceptual model of this study. Based on Baron and Kenny (1986), there are four conditions for establishing mediation. First, the subjective norm significantly affects entrepreneurship intention (path c'). Second, the subjective norm significantly affects locus of control (path a). Third, locus of control significantly affects entrepreneurship intention (path b). Fourth, the effect of subjective norm on entrepreneurship intention shrinks upon the addition of locus of control to the model (partial mediation), or subjective norm does not affect entrepreneurship intention (full mediation) (total path c).

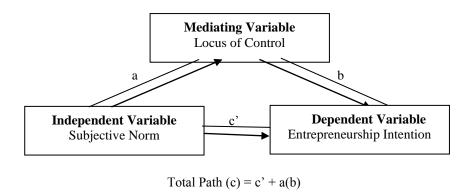


Figure 2: Conceptual Framework

VI. Population and Sample

This study employed a cross-sectional and quantitative research design to address the framed hypotheses. The population of this study was Malaysian youth. Following the recommendations from Chigunta (2002), as provided by the United Nations (UN) and the Malaysian National Youth Development Policy (1997), we defined youth as those within 18-29 years. In particular, the population of the study covered Malaysian youth in the Klang Valley area. In determining an appropriate sample size, this study follows the rule of thumb provided by Green (1991) where recommendation $N \ge 50 + 8$ m for the regression analysis where m is the number of predictor variables. Based on the formula, our minimum sample size is (50 + 8X2) = 66 respondents. In addition, taking the consideration based on the Krejcie and Morgan Table of 1970, the sample of 384 youths was defined for data collection. Usable questionnaires were received from 258 respondents, representing a response rate of 67%. As highlighted by Yun and Trumbo (2000), an online survey incorporating multi approaches such as multiple contacts, presence, inducements, and personalization may yield response rates as high as 70%. Male respondents were 59 (23.8 percent), and female respondents were 189 (76.2 percent). In terms of age bracket, most of the respondents were at 18-24 years of age (n=206, 83.1%), and 37 respondents were at 25-29 years of age (14.9%). An examination of the highest level of education showed that most respondents received tertiary level of qualification (undergraduate) (n=211, 85.1%), followed by postgraduate level of qualification (n=24, 9.7%), secondary school (n=2, 0.8%), primary school (n=1, 0.4%) and other level of qualification (n=10, 4%).

VII.Measurement and Data Collection

In this research, subjective norm (4-items) scales were adapted from Oftedal, Iakovleva, and Foss's (2018) study. Sample items are "Those who start their businesses are respected" and "I look up to those starting their enterprises." We adapt Rotter's I-E (Internal-External) Scale version for the locus of control as utilised by Mueller and Thomas (2000), consisting of 4-items. Sample items are "Whether or not I am successful in life depends mostly on my ability" and "I feel in control of my life." Respondent's entrepreneurial intentions (4-

items) were assessed by asking several questions adapted from Liñán and Chen (2009) and Yurtkoru et al. (2014). Sample items are "I have the planning for opening a new venture" and "I would like someday to start my own business." The questionnaire used in this study had two main sections, where Section A was about respondents' demographic background, and Section B collected data on the study variables. Questions in Section B were designed on a five-point Likert scale ranging from strongly disagree (1) to neutral (3) and to strongly agree (5).

VIII. **Data Analysis**

Before conducting data analysis, data were checked for completeness, and simple frequency runs were performed to screen the data to identify missing values. After that, descriptive statistics involving frequency distribution were generated. Cronbach's alpha is used to test for internal consistency of measures. The reliability value less than 0.60 is poor, 0.60 to 0.70 is moderate, 0.70 to 0.80 is good, 0.80 to 0.90 is exceptionally good, and 0.90 is excellent (Sekaran & Bougie, 2016). From the results, Cronbach's alphas were 0.82 for entrepreneurship, 0.774 for the locus of control, and 0.812 for the subjective norm. These scores indicate generally satisfactory reliability of the measures. To deal with common methods variance (CMV) issues, Harman's single factor test is used to inspect a common problem in a behavioural study when the same respondents assess both predictor and criterion variables.

To test the normality of the data, Kline (2005) stated that the skewness value should fall within the range of -3 to +3, and the kurtosis value should fall within the range of -10 to +10 to indicate the normal distributions. The Pearson correlation coefficient was used before goodness of measure to establish the relationship between predictor variables (subjective norm and locus of control) and the criterion variable (entrepreneurship intention). The test for mediation was carried out using Baron and Kenny (1986). The following are the four conditions for establishing mediation: (1) The independent variable must significantly affect the dependent variable; (2) The independent variable must significantly affect the mediator; (3) The mediator must significantly affect the dependent variable; (4) The effect of the independent variable on the dependent variable shrinks upon the addition of the mediator to the model. If the independent variable does not affect the dependent variable upon regressing the dependent variable on both the independent and mediator variables, then full mediation is established. If otherwise, the test supports partial mediation.

IX. Results

The descriptive statistics results are presented in Table 1. The means and standard deviations were generated to summarise the observed data. According to Field (2009), means represent a summary of the data, and standard deviations show how well the means represent the data. The mean score for the independent variable (subjective norm) is 4.32 (SD=0.56). It indicates that most respondents have strong social support. Next, for the locus of control, the mean score is 4.09 (SD= 0.64), which presumes that the majority of the respondents have robust internal locus control. Next, the mean score for the dependent variable (entrepreneurship intention) is 3.98, while the standard deviation is 0.67. It means that on average, Malaysian youth would like to become an entrepreneur. In determining each variable's normality, based on the value determined by Kline (2005), our results indicate that all variables are normally distributed.

Variables Min SD N Max Mean Skewness Kurtosis Subjective Norm 258 3.00 5.00 4.32 0.56 -0.31-0.70 Locus of Control 258 2.25 5.00 4.09 0.64 -0.30 -0.67**Entrepreneurship Intention** 2.00 5.00 3.98 0.67 -0.23 -0.26258

Table 1: Descriptive Statistics

Through the analysis, the evidence of common method variance (CMV) was not discovered when one factor accounted for most of the covariance (32.79%), which less than 50% of the total variance (Podsakoff & Organ, 1986). For the present study, the factor analysis produced three factors, with none explaining most of the total variance. The results indicated that three factors with eigenvalues above one were extracted. Since all items used in this study could not be treated as one dimension and no single general factor accounted for most of the variance; therefore, common method variance (CMV) did not influence the data.

According to Podsakoff and Organ (1986), Harman's one-factor analysis is a suitable method to identify possible common method bias. Following the suggestion of Mittal and Dhar (2015), we entered all variables as one principal component factor in factor analysis. The outcome of un-rotated factor analysis must be lower than

50% (Podsakoff et al., 2003). The result of Harman's one-factor analysis was 33.89%. Therefore, common method bias is not a problem in this study.

The correlation analysis results are shown in Table 2. The correlation matrix allows us to identify any predictor variables that correlate highly, which is a multicollinearity issue. It occurs when two or more predictor variables overlap. Based on the result, this study does not have any multicollinearity issues.

Table 2: Correlation Matrix

No.		1	2	3
1	Subjective Norm	1		
2	Locus of Control	.243**	1	
3	Entrepreneurship Intention	.507**	.445**	1

Mediation tests were conducted to ensure that the conditions suggested by Baron and Kenny (1986) are met. Based on Table 3, before we include mediator within the model, the results of regression analysis showed that the direct effect of the subjective norm (β =0.507, p=0.000, p<0.05) and locus of control (β =0.445, p=0.000, p<0.05) were significantly positive to entrepreneurship intention. Next, subjective norm (β =0.243, p=0.000, p<0.05) significantly influences locus of control. Therefore, H1, H2, and H3 hypotheses are supported. When we include locus of control in the model, the fourth and the fifth regression showed that the direct effect of the subjective norm on entrepreneurship intention has reduced but is still significant (β =0.342, p=0.000, p<0.05). Thus, H4 is accepted. Based on Baron and Kenny's (1986) assumptions, locus of control has proven to be a partial mediator between subjective norm and entrepreneurship intention. Partial mediation of locus of control indicates the effect of subjective norm on youth entrepreneurship intention shrinks upon the addition of locus of control to the model. If the subjective norms do not affect entrepreneurship intention upon regressing entrepreneurship intention on both subjective norms and locus of control, then full mediation is established. To confirm whether the model was of statistical significance, the researchers analyse the Sobel Test. The p-value was statistically significant (p<0.05).

Table 3: Baron and Kenny' (1986) Mediation Test

Regression Path	Standardised Beta (β)	p-value	R ²	Adjusted R ²	f-value
Before mediator was included					
Subjective Norm Entrepreneurship Intention (path a)	0.507	0.000	0.257	0.254	85.22
Subjective Norm —Locus of Control (path b)	0.243	0.000	0.059	0.055	15.46
Locus of control Entrepreneurship Intention (path c')	0.445	0.000	0.198	0.195	60.79
After the mediator was included					
Subjective Norm Entrepreneurship Intention	0.342	0.000	0.367	0.362	71.12
Subjective Norm + Locus of Control Entrepreneurship Intention (path c)	0.424	0.000			

^{***}p<.001, *p<.05.

X. Discussion

This study aimed to examine the influence of subjective norm on entrepreneurship intention, with the mediating effect of locus of control. The findings revealed that both subjective norm and locus of control positively predicted entrepreneurship intention. When deciding to venture into a new business, the influence and support that the individual received from their surroundings, including their community, parents, and peers, may trigger their actions. For instance, when the individual engages with the entrepreneur community, eventually, it will motivate them to become an entrepreneur. Our results were consistent with prior studies such as Farooq et

al. (2018), Torres et al. (2017), Vodă and Florea (2019), and Arkorful and Hilton (2021) that found the relationship existed between the variables. Subjective norm is important since it helps to reduce uncertainty and risks (Farooq et al., 2018) and could deliver positive consequences for entrepreneurial behaviour (Ahmad et al., 2019; Noor & Malek, 2021).

Second, the most critical finding was our verification on the mediation effect of locus of control towards the relationship between subjective norm and entrepreneurship intention. With the high level of internal locus of control, the individuals believe they can control the event or situation (Rotter, 1996) which motivates individuals to act positively towards entrepreneurship (Zigarmi et al., 2018; Tentama & Abdussalam, 2020; Asante & Affum-Osei, 2019). With the supportive environment, these individuals also confidently and positively react to the upcoming obstacles (Hsiao et al., 2016) through the learning process which could strengthen the impact of subjective norms on entrepreneurship intention. These results have been confirmed by previous studies such as Sajilan, Hadi, and Tehseen, (2015) and Ndofirepi (2020).

Overall, this research contributes to the literature and provides some novel insights, especially for entrepreneurship literature. Apart from the theoretical implications, the findings also offer several intriguing insights. Since the findings proved that entrepreneurship intention was highly influenced by the subjective norm and locus of control, relevant parties should support the young entrepreneurs. From the perspective of the government, many entrepreneurship programs should be introduced at the national level. A program such as pitch competition should be continuously done with collaborations with the private sectors to develop their business skills further and prepare them for self-employment. Support in the forms of financial assistance and incentives should also be offered to inculcate entrepreneurship behaviour and skills. Perhaps, the government may consider places or buildings for the young entrepreneurs to start their first business with the minimum charge. Since we are now in the digitalisation era where business can be done in just a single click, the government may equip young entrepreneurs with programs related to online business skills. Having these forms of assistance may improve their intention to engage in entrepreneurship.

At the university level, entrepreneurship culture must be embedded in classroom learning at the early stage. For instance, lecturers may play their roles in educating the students on equipping themselves with the entrepreneurship skills for their employment survival. The establishment of the Entrepreneur Unit in most of the universities in Malaysia should be applauded. Together with the Faculties, the university should cultivate entrepreneurship among the students by allowing them to venture into an online business and provide the platforms for them to showcase their talents, products, or skills. For example, the universities can set up a business unit or places for that purpose. In turn, the initiatives can enhance and motivate them to venture into business and indirectly help them believe that they can have control over their life.

Moreover, universities may organise many programs to empower students and upgrade their knowledge regarding entrepreneurship. It can be done by inviting the speakers from the expert to provide insights on entrepreneurship. The initiative will help the students to feel more confident to endeavour into entrepreneurship. The support system is vital to ensure the youth's entrepreneurship agenda's success from the very beginning. The importance of others' support was discussed by Arkorful and Hilton (2021) in their study.

Apart from that, to encourage and build interests among the youth towards entrepreneurship, the government may provide incentives in tax exemption to the financial institutions who can provide the loan or financial assistance for the youth to start their business. We know that it is hard for young entrepreneurs or small businesses to operate for the first time. Companies without a good financial track record and proof of their success are often being sidelined. Perhaps, by getting the tax exemption, those financial institutions are interested in providing loan assistance and relaxing the lending rules for young entrepreneurs. As a result, young entrepreneurs may feel motivated and encouraged to do business. It will also reduce the employment rate in Malaysia as many young graduates can consider self-employment as their career.

Our research findings confirmed the assumption that an individual with a high internal locus of control and social support is more eager to join entrepreneurship. Carton et al. (2021) and Di Pertima et al. (2019) have highlighted the role of parental upbringing and subjective norm in shaping the youngsters' internal locus of control. Parents presumably play a significant role in the locus of control development because they are primarily responsible for selecting their children's learning experiences (Carton et al., 2021; Di Pertima et al., 2019). Fostering autonomy in a supportive manner appears to provide an environment conducive for a child to effectively experience (Carton et al., 2021). Therefore, good role models, support, and encouragement from the family can help to shape internal locus of control in influencing entrepreneurship intention.

XI. Conclusion

Entrepreneurship is a significant driver for a country's economic growth and the primary source of job opportunities. An understanding of youth's entrepreneurial intention is imperative, especially for developing countries such as Malaysia. COVID-19 impact also has spurred entrepreneurship activities since those who are

unemployed or losing their jobs have turned their intention into a gig economy or online business. This study provides a better understanding of the relationships between subjective norm, locus of control, and entrepreneurship intention. Based on the findings, the mediation role of locus of control towards the relationship between subjective norm and entrepreneurship intention is empirically tested. Although this study's empirical results support the current model, several identified limitations should be carefully considered for future research. First, this study used a cross-sectional research design which could prevent us from inferring the causality effect. As such, the longitudinal research design could help to confirm the causal relationships between these variables. Second, this study only employed 258 respondents, limiting the findings' generalisation and warrants future research with a larger sample. Finally, there are many factors such as perceived behavioural control, attitude, and other demographic factors that could affect our proposed relationship. Therefore, a future study might gain new insights by exploring the effects of the mentioned factors. For instance, some scholars argue that male entrepreneurs possess more skills and knowledge in becoming successful entrepreneurs (Sitaridis & Kitsios, 2019), and Kaya et al. (2019) found that family entrepreneurial background denotes a specific influence on entrepreneurial intentions.

Acknowledgments

This study was supported by the Faculty of Administrative Science & Policy Studies Internal Research Grant (FIRG) (project code:600-ICAEN/FIRG-01/2021). The funding body did not have any role in the study's design, collection, analysis, and interpretation of data and in writing the manuscript.

References

- Agarwal, S., Lenka, U., Singh, K., Agrawal, V., & Agrawal, A. M. (2020). A qualitative approach towards crucial factors for sustainable development of women social entrepreneurship: Indian cases. *Journal of Cleaner Production*, 274, 123135.
- Ahmad, N. H., Ramayah, T., Mahmud, I., Musa, M., & Anika, J. J. (2019). Entrepreneurship as a preferred career option: Modelling tourism students' entrepreneurial intention. *Education* + *Training*, 61(9), 1151-1169.
- Ajzen, I. (1987). Attitudes, traits, and actions: Dispositional prediction of behavior in personality and social psychology. *Advances in Experimental Social Psychology*, 20, 1-63.
- Ajzen, I. (2002). Residual effects of past on later behavior: Habituation and reasoned action perspectives. *Personality and Social Psychology Review*, 6(2), 107-122.
- Al-Mamary, Y. H. S., Abdulrab, M., Alwaheeb, M. A., & Alshammari, N. G. M. (2020). Factors impacting entrepreneurial intentions among university students in Saudi Arabia: Testing an integrated model of TPB and EO. *Education+ Training*, 62(7/8), 779-803.
- Aragon-Sanchez, A., Baixauli-Soler, S., & Carrasco-Hernandez, A. J. (2017). A missing link: The behavioral mediators between resources and entrepreneurial intentions. *International Journal of Entrepreneurial Behavior & Research*, 23(5), 752-768.
- Arkorful, H., & Hilton, S. K. (2021). Locus of control and entrepreneurial intention: A study in a developing economy. *Journal of Economic and Administrative Sciences*.
- Asante, E. A., & Affum-Osei, E. (2019). Entrepreneurship as a career choice: The impact of locus of control on aspiring entrepreneurs' opportunity recognition. *Journal of Business Research*, 98, 227-235.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173.
- Barringer, B. & Ireland, D. (2005). *Entrepreneurship: Successfully launching new ventures*. NJ: Pearson Education.
- Bozhikin, I., Macke, J., & da Costa, L. F. (2019). The role of government and key non-state actors in social entrepreneurship: A systematic literature review. *Journal of Cleaner Production*, 226, 730-747.
- Bulmash, B. (2016). Entrepreneurial resilience: Locus of control and well-being of entrepreneurs. *Journal of Entrepreneurship & Organization Management*, 5(1), 171-177.
- Carton, J. S., Ries, M., & Nowicki Jr, S. (2021). Parental antecedents of locus of control of reinforcement: A qualitative review. *Frontiers in Psychology*, *12*, 484.
- Cera, G., Mlouk, A., Cera, E., & Shumeli, A. (2020). The impact of entrepreneurship education on entrepreneurial intention. A Quasi-Experimental research design. *Journal of Competitiveness*, 12(1), 39-56.
- Chigunta, F. J. (2002). *Youth entrepreneurship: Meeting the key policy challenges* (pp. 1-34). Education Development Center.

- Di Pentima, L., Toni, A., Schneider, B. H., Tomás, J. M., Oliver, A., & Attili, G. (2019). Locus of control as a mediator of the association between attachment and children's mental health. *The Journal of Genetic Psychology*, 180(6), 251-265.
- Farooq, M. S., Salam, M., ur Rehman, S., Fayolle, A., Jaafar, N., & Ayupp, K. (2018). Impact of support from social network on entrepreneurial intention of fresh business graduates. *Education+ Training*, 60(4), 335-353.
- Green, S. B. (1991). How many subjects does it take to do a regression analysis. *Multivariate Behavioral Research*, 26(3), 499-510.
- Hsiao, C., Lee, Y. H., & Chen, H. H. (2016). The effects of internal locus of control on entrepreneurship: the mediating mechanisms of social capital and human capital. *The International Journal of Human Resource Management*, 27(11), 1158-1172.
- Jemal, S. (2020). Effect of entrepreneurial mindset and entrepreneurial competence on performance of small and medium enterprise, evidence from literature review. *International Journal of Management & Entrepreneurship Research*, 2(7), 476-491.
- Jena, R. K. (2020). Measuring the impact of business management Student's attitude towards entrepreneurship education on entrepreneurial intention: A case study. *Computers in Human Behaviour*, 107, 1-10.
- Karabulut, A. T. (2016). Personality traits on entrepreneurial intention. *Procedia-Social and Behavioural Sciences*, 229, 12-21.
- Kaya, H. D. (2019). Government support, entrepreneurial activity, and firm growth. *Socio Economic Challenges*, *3*(3), 5-12.
- Kline, T. (2005). Psychological testing: A practical approach to design and evaluation. Sage.
- Klofsten, M., Fayolle, A., Guerrero, M., Mian, S., Urbano, D., & Wright, M. (2019). The entrepreneurial university as driver for economic growth and social change-Key strategic challenges. *Technological Forecasting and Social Change*, 141, 149-158.
- Krueger Jr, N. F., Reilly, M. D., & Carsrud, A. L. (2000). Competing models of entrepreneurial intentions. *Journal of Business Venturing*, 15(5-6), 411-432.
- Lans, T., Blok, V., & Wesselink, R. (2014). Learning apart and together: towards an integrated competence framework for sustainable entrepreneurship in higher education. *Journal of Cleaner Production*, 62, 37-47.
- Lee-Ross, D. (2017). An examination of the entrepreneurial intent of MBA students in Australia using the entrepreneurial intention questionnaire. *Journal of Management Development. Entrepreneurship Research*, 8(1), 1-17.
- Lefcourt, H. M. (2014). Locus of control: Current trends in theory & research. Psychology Press.
- Liñán, F., & Chen, Y. W. (2009). Development and cross–cultural application of a specific instrument to measure entrepreneurial intentions. *Entrepreneurship Theory and Practice*, 33(3), 593-617.
- Liñán, F., & Fayolle, A. (2015). A systematic literature review on entrepreneurial intentions: Citation, thematic analyses, and research agenda. *International Entrepreneurship and Management Journal*, 11(4), 907-933.
- Lin, S., & Wang, S. (2019). How does the age of serial entrepreneurs influence their re-venture speed after a business failure?. *Small Business Economics*, 52(3), 651-666.
- Littunen, H., & Storhammar, E. (2000). The indicators of locus of control in the small business context. *Journal of Enterprising Culture*, 8(04), 343-360.
- López-Meri, A., Alonso-Muñoz, L., & Casero-Ripollés, A. (2021). What is behind the entrepreneurship intention in journalism? Entrepreneur typologies based on student perceptions. *Journalism Practice*, 15(3), 402-419.
- Mueller, S. L, & Thomas, A. S. (2001). Culture and entrepreneurial potential: A nine country study of locus of control and innovativeness. *Journal of Business Venturing*, 16(1), 51-75.
- National Entrepreneurship Policy 2030. Ministry of Entrepreneur Development and Cooperatives, 2021.
- Ndofirepi, T. M. (2020). Relationship between entrepreneurship education and entrepreneurial goal intentions: psychological traits as mediators. *Journal of Innovation and Entrepreneurship*, 9(1), 2.
- Nguyen, C. (2018). Demographic factors, family background and prior self-employment on entrepreneurial intention-Vietnamese business students are different: Why?. *Journal of Global Entrepreneurship Research*, 8(1), 1-17.
- Noor, N. H. M., & Malek, E. N. (2021). An application of theory of planned behavior in determining student entrepreneurship intention. *Jurnal Intelek*, 16(1), 207-214.
- Nowiński, W., & Haddoud, M. Y. (2019). The role of inspiring role models in enhancing entrepreneurial intention. *Journal of Business Research*, 96, 183-193.
- Oftedal, E. M., Iakovleva, T. A., & Foss, L. (2018). University context matters. *Education+ Training*, 60(7/8), 873-890.

- Podsakoff, P. M., & Organ, D. W. (1986). Self-reports in organisational research: Problems and prospects. *Journal of Management*, 12(4), 531-544.
- Ridha, R. N., & Wahyu, B. P. (2017). Entrepreneurship intention in agricultural sector of young generation in Indonesia. *Asia Pacific Journal of Innovation and Entrepreneurship*, 11(1), 76-89.
- Rotter, J. B. (1954). Social learning and clinical psychology. Englewood Cliffs, NJ: Prentice-Hall.
- Sajilan, S., Hadi, N. U., & Tehseen, S. (2015). Impact of entrepreneur's demographic characteristics and personal characteristics on firm's performance under the mediating role of entrepreneur orientation. *Review of Integrative Business and Economics Research*, 4(2), 36.
- Santos, S. C., & Liguori, E. W. (2019). Entrepreneurial self-efficacy and intentions: Outcome expectations as mediator and subjective norms as moderator. *International Journal of Entrepreneurial Behavior & Research*, 26(3), 400-415.
- Sekaran, U., & Bougie, R. (2016). Research methods for business: A skill-building approach. John Wiley & Sons.
- Sergi, B. S., Popkova, E. G., Bogoviz, A. V., & Ragulina, J. V. (2019). Entrepreneurship and economic growth: the experience of developed and developing countries. Entrepreneurship and Development in the 21st Century. Emerald Publishing Limited.
- Shaheera, A. S. (February 8, 2021). *Malaysia's unemployment rate reached 27-year high*. Retrieved from <a href="https://themalaysianreserve.com/2021/02/08/malaysias-unemployment-rate-reached-27-year-high/#:~:text=MALAYSIA's%20unemployment%20rate%20rose%204.5,rate%20of%204.8%25%20in%20December.
- Shane, S., Locke, E. A., & Collins, C. J. (2012). Entrepreneurial motivation. *Human Resource Management Review*, 13(2), 257-279.
- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, 25(1), 217-226.
- Sharahiley, S. M. (2020). Examining entrepreneurial intention of the Saudi Arabia's University students: Analyzing alternative integrated research model of TPB and EEM. *Global Journal of Flexible Systems Management*, 21(1), 67-84.
- Sitaridis, I., & Kitsios, F. (2019). Entrepreneurship as a career option for information technology students: Critical barriers and the role of motivation. *Journal of the Knowledge Economy*, 10(3), 1133–1167.
- Subnational Doing Business (2020). *Doing business in Malaysia 2020*. Retrieved from https://www.doingbusiness.org/en/reports/subnational-reports/malaysia
- Tentama, F., & Abdussalam, F. (2020). Internal locus of control and entrepreneurial intention: A study on vocational high school students. *Journal of Education and Learning*, 14(1), 97-102.
- Thompson, ER. (2009). Individual entrepreneurial intent: Construct clarification and development of an internationally reliable metric. *Entrepreneurship Theory and Practice*, 33(3), 669–694.
- Torres, F. C., Méndez, J. C. E., Barreto, K. S., Chavarría, A. P., Machuca, K. J., & Guerrero, J. A. O. (2017). Exploring entrepreneurial intentions in Latin American university students. *International Journal of Psychological Research*, 10(2), 46-59.
- Vodă, A. I., & Florea, N. (2019). Impact of personality traits and entrepreneurship education on entrepreneurial intentions of business and engineering students. *Sustainability*, 11(4), 1192.
- Yasir, N., Mahmood, N., Jutt, A. A., Babar, M., Irfan, M., Jamil, F., ... & Liren, A. (2020). How can entrepreneurial self-efficacy, proactivity, and creativity enhance sustainable recognition opportunity? The effect of entrepreneurial alertness is to mediate the formation of sustainable entrepreneurial intention. *Revista Argentina de Clínica Psicológica*, 1004-1023.
- Yun, G. W., & Trumbo, C. W. (2000). Comparative response to a survey executed by post, e-mail, & web form. *Journal of Computer-Mediated Communication*, 6(1).
- Yurtkoru, E. S., Kuşcu, Z. K., & Doğanay, A. (2014). Exploring the antecedents of entrepreneurial intention on Turkish university students. *Procedia-Social and Behavioral Sciences*, 150, 841-850.
- Zigarmi, D., Galloway, F. J., & Roberts, T. P. (2018). Work locus of control, motivational regulation, employee work passion, and work intentions: An empirical investigation of an appraisal model. *Journal of Happiness Studies*, 19(1), 231-256.