

Effect of Entrepreneurship Education on University Students Entrepreneurial Skills and Intentions in The Kurdistan Region of Iraq

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Abstract:

Entrepreneurship education and entrepreneurial skills development have been grabbing scholars' attention in the case of the Kurdistan Region of Iraq where economic growth has gone through rapid ups and downs over the last ten years due to regional and political instability. This paper is an attempt to assess the level of students' awareness about entrepreneurship concepts and to examine the education impact on the students' career intentions and entrepreneurial competencies at business schools in the Kurdistan Region of Iraq. A preliminary survey questionnaire was prepared using 5-point Likert scale to examine the impact of students' knowledge on their intentions and skills to start their own businesses. The questionnaire was tested to validate the variables and was found highly reliable (27 items; $\alpha = .82$). A sample of two hundred forty-eight (248) students were given the survey questionnaire from Salahaddin University and Tishk International University third and fourth years in Business Schools out of which 228 respondents properly answered the survey questions. Descriptive statistics and two linear regressions were applied using SPSS v25 in which the independent variable was entrepreneurial education and the dependent variables were entrepreneurial intentions and entrepreneurial skills respectively. The findings of this research revealed that entrepreneurship education is a significant determinant of entrepreneurial intentions and skills among the sample undergraduate students. The results also show that entrepreneurship education is beneficial and have positive impact on the participants' intentions to start their enterprises. It is recommended therefore that the entrepreneurial skill acquisition programs should be integrated into the business schools' curriculum as major courses of study for all students.

Keywords: Entrepreneurship education, career intentions, curriculum development.

Introduction

There is a growing interest in today's business schools to teach and train students to become successful entrepreneurs. Entrepreneurial education courses in degree and non-degree programs have become a vital approach for different countries to accelerate innovation and to alleviate unemployment among the youth. University graduates in general and business graduates in particular are expected to attain the skills required for undertaking the creation, organization, ownership, and risk of starting their own business throughout their programs of study (Sultan, Maqsood, & Shrif, 2016). In the case of Kurdistan Region, efforts were put to develop entrepreneurial framework to help the youth initiate their own enterprises and generate innovation. These efforts are local, regional, and international such as conferences, open panel discussions, competitions, and celebrations of innovators and those who launch startups that would contribute to the Region economic growth. There are still major challenges and barriers to the development of startups in the Kurdistan Region which makes the process slow and sometimes difficult for the talented prospective entrepreneurs to enter the market (Bartnick, 2017).

Taking part in the development and modernization of the Business and Management curriculum at Tishk International University has pushed for research in the area of market demands and expectations of the fresh business graduates. Such probing in the literature and concepts about the national and international job market has led to the identification of a gap in research related to the practical courses and development of entrepreneurial skills and competencies for undergraduate students particularly those of social sciences and business and management majors in the Kurdistan Region. One of the main challenges in this area is the lack of aspiration, resilience and appetite for venturing and taking risk among the fresh graduates who would rather wait for the private sector to take them for tertiary jobs and sometimes they stay too long after graduation to find the job of their dreams.

In today's world, entrepreneurs are creating jobs at more than twice the rate of established companies. In a new EY survey, 59 percent of entrepreneurs around the world said they expected to increase the number of their employees in 2016. Among large businesses, only 28 per cent said they planned to expand their workforce this year (Weinberger, 2016). Entrepreneurship, in the present time, has become one of the most favorite solutions to the problems of unemployment. Uwannah and Ojelabi (2018) best summarize the importance of entrepreneurship as, "It is believed that nations are been shaped by entrepreneurs who are men and women innovators who make changes by translating various resources like time, money and opportunities into gainful ventures". In the Kurdistan Region, enterprise courses are taught at universities of social sciences but the subject is not a major concern for administrations and faculties of most of the higher education institutes. The aim of this paper is give extra emphasis about the major role of higher education in the Region in fostering the culture and mindset of an entrepreneurship ecosystem.

Research Questions

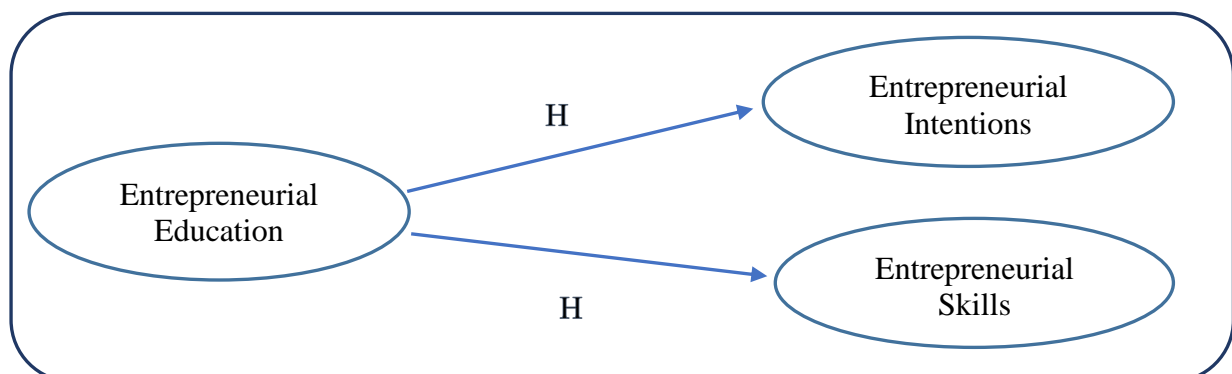
- 1- What is the level of awareness about entrepreneurship among undergraduate students?
- 2- What is the impact of entrepreneurial education on the students' potentials to start their own enterprises?
- 3- What is the impact of entrepreneurial education on the students' acquisition of entrepreneurial skills?

Research Objectives

The purpose of this paper is to examine whether entrepreneurship education is a determinant of entrepreneurial intentions and skills among undergraduate students.

- To assess students' understanding of entrepreneurship concepts and principles.
- To find out the impact of entrepreneurship education on students' career intentions.
- To find out the impact of entrepreneurship education on students' development of entrepreneurial skills.

Conceptual Model



Research Null Hypotheses

H0: Entrepreneurship education has no impact on students' intentions to start their own enterprises.

H0: Entrepreneurship education has no impact on students' development of entrepreneurial skills.

Review of Literature

The strategy of depending on small and medium enterprises for creating work opportunities and generating income has been widely endorsed by the international community as an option for the emerging economies to stimulate economic growth. Small and medium enterprises (SMEs) as categorized by the World Bank represent the vast majority of the businesses in low-income countries. SMEs account for more than half of all formal jobs worldwide, and their share of aggregate employment is equivalent to that of large corporations (World Bank Group, 2016). There are many definitions of entrepreneurship. It is mostly defined to be an individual motivation and decision to take risk in creating and sustaining a growth-oriented and profit-making business (Mokaya, Namusonge and Sikalieh 2012). Entrepreneurship courses are taught at public and private universities in the Kurdistan Region but the teaching approaches are not up-to-date and the courses are not major courses for students of all subjects. These courses exist but they are not given sufficient attention and resources by all the Region's Social Sciences Schools and Institutes.

Entrepreneurship Education

Building the entrepreneurship capacity requires the government, the private sector and the education institutes cooperation to develop cultural and structural conditions and to ensure access to capital (Bartnick, 2017). Universities, on the other hand, have a major responsibility in considering employability of graduates as an indicator of success in achieving their programs' objectives. Fostering an entrepreneurial culture among university graduates is an issue of priority in modern higher education (Gerba, 2012). As a result, the development of an opportunity-oriented mindset in university students is now considered very critical. Entrepreneurship is now regarded as a cog in the socio-economic development of countries due to its potential and capacity to create employment opportunities (Mustapha & Selvaraju, 2015).

Universities have a vital role both in supporting research and development and in teaching entrepreneurship to students (Davidsson, Low, & Wright, 2001). The importance of university entrepreneurship education is that it is a foundational step in preparing students for the business world by teaching them how to launch a business (Abereiyo, 2015). There are major two approaches in enterprise education. The theoretical approach in which lectures and seminars are given in passive method. It considers the students to be "empty boxes" in which the teacher can pour knowledge. The traditional method is criticized by not focusing on modern technologies and innovation practices in conducting business (Wright, Bitner, and Zeithaml 1994). The alternative approach is a dynamic goal oriented method that equips students with practical skills needed to start a business such as innovation, self-reliance, problem-solving, taking initiative, and communication (Abereiyo, 2015). It is an approach of learning by doing and exercising real life challenges when launching one's own startup.

Career Intentions

The attitude toward work among the people (in the Region) who have long been dependent on the government and later the private sector as major employers resulted in alarming outcomes. The latest demographic survey about Kurdistan Region shows that the unemployment rate of (18-24) year olds is 28.8% (KRSO, UNFPA, & IOM, 2018). The population in the Region is very young as 50% of the residents age 20 years old or younger (KRG Ministry of Planning, 2013). Over the next twenty years, these young people will reach the work age and will be seeking jobs which means about 43,000 to 54,000 new jobs will be needed to keep the working-age population employed (Save the Children, 2014). This burden is beyond the government and the private sector to deal with which will urge the

development of a strong foundation of entrepreneurial mindset and ecosystem in which individuals take a lead and become job creators instead of being job seekers.

Students intentions about launching their enterprises can be looked at in three components; cognitive, affective and behavioral aspects (Pulka, 2014). The cognitive component relates to beliefs, thoughts and knowledge students have about entrepreneurship and entrepreneurship education that form their attitudes and reactions (Amdam, 2011). The affective component relates to feelings and emotions about entrepreneurship and entrepreneurship education, that is, how a person sees the desirability or relevance of something and hence whether eventually they like it or not. The behavioral component relates to actions, overt responses and willingness to respond to or accept something (Pulka, 2014).

Entrepreneurial Skills

According to Hisrich and Peters (2003), entrepreneurship is not an inherited talent, but it is acquirable and trainable; therefore, the environment, institutes, and all educational levels play an important role in this regard (Hisrich and Peters, 2003). Studies suggest that entrepreneurs have characteristics such as risk-taking, obtaining wealth, having different experiences in the market and economic situation, business smartness, family background in business activities, and physical and educational characteristics. Education is considered as one of the main determinants in shaping entrepreneurship spirit (Vakili, Tahmasebi, 2016). Entrepreneurial skills are the basic skills necessary to enable the individual to start, develop, finance and succeed in an enterprise. (Adeyemo, 2009).

Entrepreneurial skill is the ability of an individual to exploit an idea and launch an enterprise not only for personal advantages but also for socioeconomic gains and development (Olagunju, 2004). There is no universal list of particular skills required for starting new business but some of the most publicized skills are; sales and marketing skills, leadership and motivation, time management, and administrative skills (Adeyemo, 2009). The question by academics and scholars in the field is whether these skills can be acquisitioned and taught through learning and training is answered by John Wiley by saying "yes" it can. The fact that Richard Branson, Steve Jobs, Bill Gates are products of entrepreneurial experiences but not special genes supports his argument (Aulet 2013).

Methodology

A sample of two hundred and fifty (250) undergraduate participants were given the questionnaire out of which (228) 2018/2019 responses were valid from Salahaddin University and Tishk International University Business Schools. The questionnaire has 27 items with Corbach's alpha co-efficient of 0.82. Descriptive statistics and two leaner regressions were applied using SPSS in which the independent variable was entrepreneurial education and the dependent variables were entrepreneurial intentions and skills respectively at 0.01 level of significance. Participants were selected through random sampling at Business Schools at the selected universities. It is assumed that the juniors and seniors at the mentioned two universities have taken a course about entrepreneurship or have at least basic awareness about the subject. These students may consider self-employment as an option to replace the condition of job seeker.

Results

Table-1 Demographics of Participants

Demographic Variable	Frequency	Percentage
Gender		
Male	104	45.6 percent
Female	124	54.4 percent
Total	228	100.0 percent

Age		
21-25	203	89.0 percent
26-30	24	10.5 percent
Above 30	1	.4 percent
Total	228	100.0 percent
Work Experience		
No experience	121	53.1 percent
6 month- 1 year	35	15.4 percent
1-2 year	16	7.0 percent
more than 2 years	56	24.6 percent
Total	228	100.0 percent
Program of Study		
Business Management	108	47.4 percent
Accounting	56	24.6 percent
Tourism Management	4	1.8 percent
Economics	57	25.0 percent
Banking and Finance	3	1.3 percent
Total	228	100.0 percent

Table-1 is about the demographics of the respondents in the research. In regard to gender distribution, 104 (45.6percent) are males and 124 (54.4percent) are females who make the majority in the sample of participants. For age, 203 (89percent) are aged between 21-25 which is the regular age for undergraduates in the Region. Work experience of participants ranges from no experience which counts for more than half of the students (53.1percent) or more than two years. Only few students (15.4percent and 7percent) fall in the 6 months- 1 year and 1 to 2 years' categories. The program of study variable shows that 108 (47.4percent) of the participants were business majors while the others were studying other subjects in administrative and social sciences.

Table-2 Students' Enterprise Education Assessment

Variable	Frequency	Percentage
You choose your subject of study because of:		
Parent's choice	26	11.4 percent

Your own decision	152	66.7 percent
Friends' recommendation	22	9.6 percent
Siblings' recommendation	5	2.2 percent
Relatives' recommendation	23	10.1 percent
Total	228	100.0 percent
I study this subject because I want:		
Job employment	72	31.6 percent
Self-employment/ Business	103	45.2 percent
To form a company with friends	37	16.2 percent
To help parents in business	16	7.0 percent
Total	228	100.0 percent
I learned about entrepreneurship from:		
Course at my university	135	59.2 percent
Summer practice	48	21.1 percent
Entrepreneurship activities	44	19.3 percent
Entrepreneurship clubs	1	0.4 percent
Total	228	100.0
I am motivated to become an entrepreneur:		
Yes	183	80.3 percent
No	45	19.7 percent
Total	228	100.0 percent

Table-3 Regression Result of Entrepreneurship Education as a Determinant of Enterprise Intentions

3.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.662 ^a	.604	.588	.54837

a. Predictors: (Constant), Education

3.2 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.935	.243		7.952	.000
	Education	.097	.063	.662	2.841	.000

a. Dependent Variable: Intention

Table-2 shows variables that measure students' general and educational backgrounds about enterprise education. When it comes to student's desire about their undergraduate subjects, the majority 152(66.7percent) of the participants decided on their college specializations on their own. It also reveals that 103(45.2percent) expect some kind of self-employment while 37(16.2percent) expect to start business with friends. The source of learning about enterprise concepts is from universities for 135(59.2percent) of the respondents which shows that the current enterprise courses offered by these two universities are given to many but not all students currently registered in third and fourth years. Only 1 student has learned about entrepreneurship activities from clubs which raises a question about the existence of entrepreneurship clubs and societies as part of extra-curricular activities. 183(80.3percent) participants are motivated to become entrepreneurs which is a good indicator about the existence of entrepreneurial intentions among these students.

The results above show that there is a positive relationship between the enterprise education and the intentions to become entrepreneurs among participants. The coefficient of R-square suggests that 66.2 percent of the variation in the level of intentions is explained by determination of education. The level of significance of the model is 0.000 which is less than the standard 0.01 ($p < 0.01$). This implies that the null hypothesis that education has no impact on students' enterprise intentions is rejected and the alternative hypothesis is accepted. Education is a significant determinant of entrepreneurial intentions among Tishik International University and Salahaddin University students in Business Schools.

Table-4 Regression Result of Entrepreneurship Education as a Determinant of Enterprise skills

4.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527 ^a	.521	.482	.35055

a. Predictors: (Constant), Education

4.2 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.031	.244		8.322	.000
	Education	.426	.064	.507	6.701	.000

a. Dependent Variable: Skills

The results from Table-4 show that there is a positive relationship between the enterprise education and the skills that students acquire to start new businesses. The coefficient of R-square suggests that 52.1percent of the variation in the level of business skills among students is explained by

determination of education. The level of significance of the model is 0.000 which is less than the standard 0.01 ($p < 0.01$). This implies that the second null hypothesis that education has no impact on students' enterprise skills is rejected and the alternative hypothesis is accepted. Education is a significant determinant of entrepreneurial skills among Tishik International University and Salahaddin University students in Business Schools.

Conclusion and Recommendations

The results of the survey reveal that courses of entrepreneurship are important in triggering and shaping business intentions and in developing enterprise competencies at the undergraduate level. Universities can play a major role in developing the enterprise curriculum to cover all students in all specializations and particularly those who are doing administrative and social sciences subjects. University time is a perfect time to invest in students' brains and train them on enterprise competencies. Business Schools in the Kurdistan Region can take a lead in providing student oriented services on campus to give inspiration and professional support for the potential entrepreneurs. Universities may also work in promoting government and private sector cooperation to develop the base for an enterprise ecosystem and culture among the youth.

Business Schools in the Kurdistan Region may take a more active role in establishment and support of entrepreneurship programs and service centers. The enterprise courses provided by these universities should be developed and updated to inspire students to take risks and venture in the business world. As science hubs, Business Schools should do more than providing the students with academic needs and paper qualifications (Olga, 2015). They could train the students to become owners of their own jobs and to create job opportunities for others around them. Business higher education curriculum needs to develop to sustain the graduates' lives by building career paths despite the economic and financial difficulties in the Region. Universities should make students not only study entrepreneurship concepts, they should make these courses more advanced and concerned on risk taking and destigmatizing failure among students. That cultural shift will take time, but it is the lynchpin for creating a successful entrepreneurial ecosystem in the Region.

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