

EXPLORING THE ENTREPRENEURIAL INTENTION OF GENERATION Y PEOPLE IN THAILAND

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Submitted: 28-04-2023, Revised: 01-06-2023, Accepted: 18-07-2023

ABSTRACT

The main purpose of this study is to analyse the factors affecting and exploring entrepreneurial intention of generation Y people in Thailand with particular attention to demographics, personal planned behaviours, and contextual factors, those factors will be the key tools that may encourage entrepreneurship. This study based on interview the person who born in 1980 to 1997 called generation Yers. The results showed they have a high expectation of being a self-employee rather than working in a well-known organisation and be able to understand the idea how these young entrepreneurs identify business opportunities and overcome challenges through self-attitudes toward unforeseen failure in business. Yers believe that they are the huge wave of movement to challenge and develop a globalisation throughout creativity and innovation. This study also shown the result of relationship among demographics, personal planned behaviours, and other contextual details that are the main key tools were the determinants of Thai entrepreneurial intention.

Keywords: *entrepreneurial intention, business intention, gen Y, traits*

1. INTRODUCTION

In the age of people, think opening and doing some businesses are not too difficult as in the past, and most people believe a huge volume of successful people are have their own business and luxury style of being business successful person.

Since a time ago and currently, many young people have had the potential to be entrepreneurs, understanding their perception about contextual factors can be a contribution to the development of the literature and an important step in designing a more effective public policy mechanisms Turker, [1]. Especially, in this research it focuses in a group of Generation Y people in Thailand. According to Thansetakij [2], an official website one of Thailand newspaper reported the generation Y was the people were born in the 1980s and 1990s which is 28% of Thai population, approximately 19 million in the total of 67 million. Accordingly, this website people could be divided in these major groups: Greatest Generation 0.3million, Silent Generation 5.4 million, Baby Boomer 15 million, Generation X 16.6 million, and Generation Z 10.6 million in Thailand.

Generation Y people try to start their business in order to don't want to be employee and in order to survive and successful in the future. To get an achievement, this generation must pass through failures and learned from mistakes to achieve in the road of entrepreneur. In the last few years, some businesses have closed, and the rate of unemployment has raised due to the economic situation in Thailand and some other factors, nevertheless, some businesses are still existing. A very important aspect is how people in generation Y drive and setting their business direction and their entrepreneurship to sub-ordinates and how this affects the growing of their companies.

This study focused on the potential of generation Y people that have a high percentage of entrepreneurial activity in Thailand through their knowledge, behaviour, self-innovation, and enthusiasm. The percentage of entrepreneurs in Thailand in SMEs business still increasing according to data provided by government of the supportive programs to invest and develop in small and medium enterprises.

2. ENTREPRENEURIAL INTENTION

Entrepreneurial intention indicates the effort that the person is willing to make to carry out that entrepreneurial behaviour. This intention is based on three main motivational factors that influence the ultimate behaviour. Attitude toward start-up refers to the personal liking or disliking towards becoming an entrepreneur; Subjective norm refers to the perception that concerned people (family, peers) approve of the activity; and Perceived behavioural control refers to the perception of the ease or difficulty of becoming an entrepreneur. These cognitive factors provide an insight into the complex process of entrepreneurship (Ismail) [3].

Bitros [4] defined entrepreneurship in two domains, which is, firms themselves and they market that they focus. The main objective of firms is to “extract economies of scale and scope of modern multi-product technologies so as to remain competitive”. In the market side, entrepreneurs must have some sort of special ability in order to perceive opportunities in the bad economic situations like market disequilibrium. Then dominate the situation by shifting the resources to generate products or services that provide higher value. He further stated that, “If their perceptions prove correct, their actions benefit themselves and the economy. But if they are wrong, they absorb the losses and learn more carefully the next time around”.

An entrepreneur on the other hand means someone who finds an opportunity and exploits it productively in full intention to create and develop new business (Carayannis) [5]. Research confirms that intentions play an important role in the decision to start a new firm. The theoretical framework of this study is built on Ajzen’s [6] Theory of Planned Behavior that suggests the immediate antecedent of behaviour is the intention to perform a given behaviour. Intention is a direct antecedent of real behaviour; and the stronger the intention for behaviour, the bigger the success of behaviour prediction or actual behaviour. (Krueger & Carsrud) [7] and (Kolvereid & Isaksen) [8] claim that intentions are the single best predictor of most planned behaviour, including entrepreneurial behaviour. Entrepreneurial intention is one’s willingness in undertaking entrepreneurial activity, or in other words become self-employed. The opposition of self-employment is becoming a waged or salaried individual [9].

Demographic Factor

Following the research of Indarti and Rostiani [10] found that the results of entrepreneurial intention was influenced by different factors. The analyse result shows an involvement of demography, personal traits and instrument. Demographic factors refer to family background has been mentioned by Schmitt-Rodermund [11] is a relationship of family that included authority, warmth, and supportiveness in business, this finding suggests that in order to develop an entrepreneurial creativity in children. Family functionality is the basic of creativity of children to play in a role of being entrepreneur or anything related to perceived entrepreneurship in life. This section aimed to focused on interviewees’ family background which is foundation to impact individual entrepreneurship. In addition of Kristiansen and Indarti [12] studied also found education background and working experience background which due to having a better picture and vision of perceived business opportunities also is the

important factor of entrepreneurial intention. According to Kolvereid [13] research mentioned to the model of Shapero of the “entrepreneurial event” even “theory of planned behaviour” of Ajzen also mentioned to the characteristics of demographic which influences to demographic factor of entrepreneurial intentions such as family background and personal experience. Kolvereid [13] also found and mentions to a person who has an experience as an entrepreneur had higher essentially of entrepreneurial intention when making a comparison to a person who has no such experience.

Personal Traits

Ajzen Fishbein is originally introduced the theory of planned behaviour (TPB) which was developed as a models of behavioural intention became great success in practical approach using personal trait, attitudes [14]. The aim of personal trait is another factor was effected entrepreneurial intention is personal planned behaviour which found by [15] and [16]. The important of behaviour related to entrepreneurial intention was the factors to predict of planned behaviour and entrepreneurial behaviour. Following to the definition of [17] states the intentions refer to the motivation factor that affected to people in order to indicates their behaviour. The purpose of this factor is to distinguish a variety of personal traits among entrepreneur and non-entrepreneur. [18] mentioned the entrepreneurial intention is also having an important for a person who want to set up or has a new business. Ajzen [19] stated the meaning of planned behaviour on the book “*From Intentions to Actions*”. The chapter conclude that, “a person will attempt to perform a behaviour if he believes that the advantage of success (weighted by the likelihood of success) outweighs the disadvantage of failure (weight by the likelihood of failure), and if he believes that referents with whom he is motivated to comply think he should try to perform the behaviour.”

Attitude which claimed by [20] describes is the developing people attitudes is based on what people believe in performing their behaviour and include to cultural and social norms are the main determinants important component structure for various entrepreneurial activities undertaken in different countries. Culture can boost entrepreneurship and takes the role of education and training in skills and attitudes’ development leading to entrepreneurship (Gavron et al., 1998; Reynolds et al., 1999). For subjective norms refer to the pressure from social or external push on the person to perform express their behaviour [21].

Contextual

A study entrepreneurial intention is also including the element of contextual factors. [22] describe to this factor concerns to the environmental factors, which maybe have an impact on entrepreneurial intentions. In particular of economic, political and cultural, which can influence to personal intentions.

Conceptual Framework

Therefore, this study conceptual framework depends on [23] model and create demographic factors, theory of planned behaviours (TPB) including attitudes/apitudes, cultural and social norms, subjective norms, perceived opportunities, relevant research and resources, self-realisation, perceived behaviour control, and security and workload. These factors will affect have positive effect in entrepreneurial intentions.

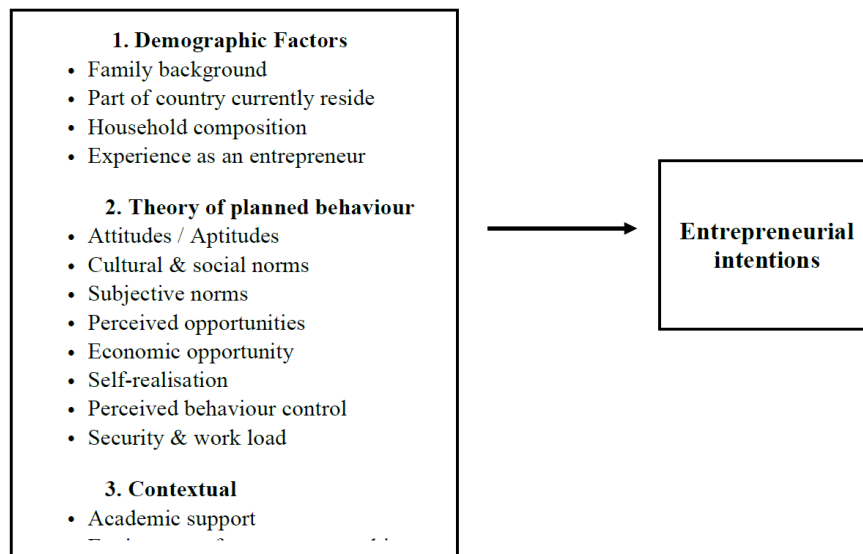


Figure 1 Research Framework

Demographic factor focused on individual background characteristics such as family background, prior employment experience and parental role models to explain entrepreneurial intention. Another factor that affects an entrepreneurial intention is theory of planned behaviour, which is mentioned in personality traits [24]. The purpose of this personality approach is to identify a group of traits that can differentiate entrepreneurs from non-entrepreneurs. The main assumption of this approach is that people who choose self-employment as a career option have a different personality profile than people who refer organisational employment [25].

Contextual factors are also included in the studies of entrepreneurial intention because it refers to the environmental factors that might have an impact on entrepreneurial intention. Economic, political, and cultural climate, administrative complexities, having access to resources, and physical and institutional infrastructure can be regarded as environmental factors [26]

3. RESEARCH METHOD

In this research will take three steps for conducting the investigation. Firstly, data from different sources will be collected in order to develop a customised causal-reaction framework based on three main factors: Demographic, behavioural and contextual, secondly based on these factors it will be listed the alike characteristics of a successful business developer and manager and as a last step a face-to-face interview will be driven for get insights about what actions among different factors affect the performance of an entrepreneur.

Data Collection Methods

The research interview has been defined as ‘a two-person conversation initiated by the interviewer for the specific purpose of obtaining research-relevant information and focused by him on content specified by research objectives of systematic description, prediction, or explanation’ [27]. In this study, the data collection was conducted by in depth interview [28] explained the meaning of in-depth interview as “a qualitative technique that involves conducting intensive individual interviews with a small number of respondents to explore their

perspective on a particular idea, program, or situation.” This data collection method is useful when interviewers want more detailed and more information about a person’s thoughts and behaviours or even exploring new issues in depth. This studied was collected from 6 participants who was in generation Y people, a person who born during 1981 - 2000 [29] who is currently live in Thailand.

Data Analysis Methods

[11] describes the process of data analysis as “the classification and interpretation of linguistic (or visual) material to make statements about implicit and explicit dimensions and structures of meaning-making in the material and what is represented in it” Coding: [21] explained coding will takes you a step further than indexing: as well as helping you locate data, it serves as a way of sorting and ordering data – ‘the undigested complexity’ of field notes, transcripts, documents, pictures, ideas – so that you can keep track of what you have on any topic and easily find what you want, when you want it. Next step is categorisation: The process begins with reading the first interview transcript, the first set of field notes, the first document collected in the study [20].

4. RESULTS AND DISCUSSIONS

According to data analysis method shows the results of how Thai generation Y people perceive to the intentions to generate their own business due to demographic factors, personal traits, and contextual which lead and educated either internal force or external force.

Demographic Factor

This factor focused on the relationship among interviewees family go through environmental surrounds that guide interviewees for an entrepreneurship.

Family Background

Following this study interviews, the results show the relationship of family entrepreneurship does not affect the personal intentions of being entrepreneur directly but acquired from their parents’ advice and surrounding among family business field ever since *“every time I had an idea about selling anything in leisure time since I was in high school, my parents always say if you have anything want to do whether related to business or not, don’t wait until you’re ready because time waits for no one. Take an action if it fails, we’re still beside you”*. Additional to childhood dream, the participants all didn’t have the exact shape of what they are going to be when they grow up as well as being a businessman. But the most important factor which come up for their intention were from parents’ advice and supportiveness this can be seen in the way of business suggestion, life suggestion, and even spiritual suggestion.

Part of Country Currently Reside

Thailand has 76 provinces, which are divided into 5 main regions. The participants in this study were from Bangkok were located in Central region, Chiang Mai and Lampang where located in North region. Interviewees’ opinion about this issue can be conclude that their reside places has an impact on their business intention whether less or more. *“I think the county I’m living doesn’t have various choices of business to do than a big city like Chiang Mai or Bangkok, but if one day your business being well-known in current market it’s pretty high opportunity to*

become the top first business exists in the area”

Household Position

Generation Y people didn't consider in marriage life and having children yet. Their personality more focused in living life and remarkable lifestyle. Some of participant mentioned to a desire of independent life *“...I'm not really into a serious relationship and married life. I don't want to have kids. I pretty enjoy my freedom life alongside of doing on my business.”*

Working Experience

Most participants in this study has individual working experience, which means it doesn't have any involvement to family business which lead to the intention to have their own business.

Theory of Planned Behaviour in this study extract to internal and external factor. The determination of behavioural attempt consists of (the beliefs about the likely consequence of success and failure), (the perceive probabilities of success and failure), (normative beliefs regarding important referents), and (motivation to comply with these referents) and focus in culture/social norms, subjective norm, work security and work load.

Internal Factors of Planned Behaviour

It has been mentioned relating to attitudes. Based on the interview with participants, it can be concluding that the major attitudes, which are important to run the business including courage, optimistic, and work ethics. **Courage** is a term which suggest that do not fear failure in order to create the will power *“it's normally of fear feeling in the stage of starting a new business, either was I. Once you make a decision just take action for it, don't waste your time for waiting. If one day you fail better fail in the time, we have more energy to rise up. Learn from the failures and mistake.”* **Optimistic** refers to personality which able to see possibility in impossibility which were supported in the way of his “vision” is *“not only just how business will be growing but also how to handle your staffs your team. Knowing about their personality, about their background like they are the members of your family more over that our relationship not working like boss and worker but like brother and sister. I always tell them this business not just only mine but also your business too. It's our business.”* **Work ethic** is a factor that relates to owner's knowledge about principals *“my product relates to herb essential which is external medicine using it means we must be clear and sincere with the medicine labels, properties, and ingredients show up to customer.”*

According to participants' answer about perceived opportunities, most of them defined to the essential in every opportunity are a chance to success. Participants also mentioned to the impact of basic knowledge about business is relevant to start a business because it will give confidence and goals to achieve. Relating this topic to the interviewees' experience, it can be seen that all of them agree that the basic knowledge is important to their business as the participant mentions *“definitely know how to sell. Start with yourself, then an idea, then a product or service, and then an ideal for people who work for you.”* Perceived behaviour control that affects performance of the behaviour of a person in a certain situation. According to most participants' answers, they explain that the internal behaviour control occurred from their past experience due to internal force. The external force of behaviour control influence individuals to behave according to the situation that they are facing. Relate to the interviews' answers, most of them

state that it doesn't matter how good or bad the external factors are, it will always have positive influence on their behaviour.

External Factor of Planned Behaviour

It influences to entrepreneurial intention, which referring to participants' thoughts about Thai's culture has big impact of supportiveness by traditional culture and environment even though geographic. Subjective norms refer to the beliefs of external environment that will approve or support a particular behaviour. On the other words, subjective norms are determining by perceiving of social pressure from others on individual to behave in certain manner. The results show each participants got an influence from their family, friends, co-workers, and anyone/source they trust "... Also, I like to observe the successful person perspective become my intention to have passive income in entire of life." Generation Y people personality according to this study's participant are independent and had a uniqueness lifestyle and creativity, so working as a officer routine doesn't answer their life purpose "Before I went to Australia for study I used to work as a routine officer. It was really hard and boring for me to stuck in front of the computer 8 hours a day, 5 days a week and working as routine 9am to 5pm. I always asked myself is this my happiness? is this will make me success and answer my goal? After I worked as a chef, I was willing to wake up early to work. I enjoyed cooking and standing in front of the gas stove."

Contextual

Having a role model is common issue for generation Y people based on this study participant. One of participant mention to their parents as "I have seen my father worked really hard in order to put the business to become well known and intention for family and his employees. If one day I become a businessman I will put him to be my role model." And also including to a famous person "I used to be involved in direct marketing network. They always taught and guided to set goals life and whatever even recommendation of many books and successful people to observe or set as role model to success. This was the good chance for me to open my eyes." In the age of globalization, participants mentioned to learning and finding inspiration to media source rather than book or printing media "I do like to read but it pretty easier for me to other media source like YouTube, Podcast channel or talking. The thing is I travel a lot and stuck in traffic; you can see how easier to keep learning by listening instead of reading." But some of participant also suggested they got an influence from the book "originally, I graduated from engineering department, but I realized I had an intention to business. I started reading many books by recommendation like from Bill Gates's book recommended, Jeff Bezos, or even site and from people so on. I would recommend some of the books like Rich Dad Poor Dad, Secret of the Millionaire Mind, The E myth, my Personal MBA, and Emotional Intelligence," however the influence from book isn't convenient and handy like a media source for participants who are in generation Y.

5. CONCLUSIONS AND SUGGESTIONS

The entrepreneurial intention arises when people have confidence and beliefs that they can succeed when doing business. According to the findings from **Demographic Factors**, it shows that **Family Entrepreneurial Records** doesn't have direct impact to business intention because participants think that following family's footstep is not what they want to do, also **Childhood Dream** was just a fantasy. The main reason which boosts the intention of doing business is **Parents' Advice**, parents' supportiveness, and giving motivation. **The Part of**

Country Resides also have impact on business intention. In Thailand, if the business location is not good, there will be less support in business and higher chance to fail. On the other hand, people have intention to do business because if they can succeed in the area like that, their business will be well-know and popularity expands rapidly. **Household Position** does not have any impact on business intentions, as generation Y people in Thailand see that having husband/wife or kids are serious responsibility, so Thai people prefer to have freedom lifestyle in doing business.

Planned Behaviour is a factor which has influence on entrepreneurial intention. Beginning with internal factor, there are three main personal traits such as, **Courage** is an important characteristic in the early stage of doing business, the intention will occur when people can overcome their fear of failure, it will stimulate confidence, which turns into business intention. **Optimistic** is a great personal trait to create the business intention, it also create a vision of doing business. When they are optimistic, it will influence their employees too. **Work Ethics** will result in business intention because when people have principles on their mind, they will do their best with their company as well as with their customers. **Perceive Opportunities** increase the chance of entrepreneurial intention. When people see that there is an opportunity, it will boost their confidence, then lead to business intention. The external factor is the **Subjective Norms**, it includes family, friends, and people they trust. These factors form themselves in a person's mind, then generate an entrepreneur intention.

The Contextual emphasizing on role model, generation Y people in Thailand rely on this factor to stimulate their business intention. Seeing successful people triggered the feelings and desire to establish a business. The role models that inspiring them are parents, famous people, media, and books.

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