

Retail Business Intention amidst the Undergraduates

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ABSTRACT

Retail market plays a key role in economic growth and job creation of a country. In economics characterized by high rates of youth unemployment retail intention has the potential to enable undergraduates to create their own jobs. This research is carried out to investigate the influencing factors on retail intention among the undergraduates. and to rank the factors among them. This study collected data from 350 students from the Management Faculty of University of Jaffna. Initially 63 questions were developed for the factors as motivation, need for achievement, passion, experience, financial stability, education, family background, demographic factor, technology, personal characterizes, culture, social supports, financial supports, government, unemployment rate, and learning system. Exploratory factor analysis was conducted in SPSS to reduce the factors swaying the retail intention amid the under graduates. Findings of the study shows the most influencing factors such as education, personal factors, learning system, motivation and unemployment. which are mostly influencing on retail intention. Education is ranked as a prime factors determine the retail business intention. This study partakes the practical implication on educational system which enrich the Knowledge on retail business via having good educational policies, which should consist of practical learning methods. The results also suggest that retail business education is a contextually strong minded concept which requires alteration of content and methods to meet the specific needs of particular target groups. The study has important implications for higher education institutions in terms of designing and managing effective retail business education. This study suggested to all disciplines to introduce retail business as a subject in to their core courses.

KEYWORDS: Unemployment, Retail business intension factors, exploratory factor analysis, Ranking

Introduction

Retail marketing is becoming a very relevant instrument to promote economic growth and development in different regional and national economies. This increased focus a driver of economic development has come in the wake of a stronger emphasis on private-sector development (Geldhof, Porter, Weiner, Malin, Bronk, Agans, & Lerner, 2014). Today unemployment problem is a major issue all over the world. Most of the graduates who passed out from the universities are in the unemployed status. According to Chigunta (2002), youth is the practical application of enterprising qualities, for example taking initiative, being innovative, creative, and risk-taking into the work environment (either in self-employment or employment in small start-up firms), using the suitable skills necessary for success in that environment and culture. Reducing youth unemployment is one of the main challenges facing most governments in the world and the need for employment creation attempts focusing on the youth is evident. An

estimation of 74.5 million young people aged 15–24 were unemployed in 2013; which is almost 1 million more than in the year previous to. The global youth unemployment rate is at 13.1 per cent (International Labor Organization, 2015).

To resolve this issue, these graduates/ undergraduates can start some retail businesses. Researchers have recognized self-employment or retail marketing or entrepreneurship to be a key driver of the economy through fostering growth, job creation, technology adoption and innovation as well as poverty alleviation (Brixiova, 2010).

There are unemployment problems in Sri Lanka. Unemployment has become a burning problem in Sri Lanka today. The number of unemployed is increasing day by day. According to a statement of Central Bank, the unemployed are around 700000 and out of this 55% are females. Also around 80% of the unemployed are in the rural area. Unemployment is highest among 20-30 years. A number of factors prevailing in the society have paved the way to unemployment; there are outmoded education system and

lack of skills and also lack of computer and English language. (Nimeshika, 2016). Retailers play a vital role in job creation to provide opportunities to young people. However, it's in allowing young people to follow their dreams and start their own business that see a significant change in graduates' employment statistics introduced to the feed. A great number of research studies have been conducted regarding the impact of education on self-employment. Despite the existence of the studies, the concepts of education and business intention require further investigation (Peterman & Kennedy, 2003).

Intention means human beings are the best creature of almighty and thus excel themselves over other creature in certain important areas. One area certainly is their ability to think and judge phenomenon and also provide judgmental opinion by concisions and judicious thinking (Linan, 2004). Alongside that human beings tend to differ genetically as far as their preferences are concern. This notion certainly gives the birth of their ability to get attracted towards certain things while also distracted and de motivated by certain factors and forces (Delmar and Davidsson, 2000). This motivation and demonization about objects, issues, feelings, beliefs and also many other verbal and nonverbal expressions commonly referred as intention which may be positive or negative in both ways (Bird, 1988). Intention is an individual's specific propensity to perform an action or a series of actions. It is the result of conscious thinking that directs behavior (Parker, 2004).

Adelina Broadbridge, (2003) articulated that Retail management job involves or the variety of career opportunities it provides. Often, students have only their experiences as consumers or as part- time employees in forming their perception of it as a future career. Personal, and word of mouth, work experience can help either to persuade or to dissuade the perceptions of retailing as a destination career.

Kim (1996) disclosed that successful entrepreneurs have higher education level compared to that unsuccessful entrepreneur; seventy percent of successful entrepreneurs are university graduated. Joanne Commins, Diane Preston, (1997) demonstrated that retail management was considered an unattractive career by many graduates; and, second, undergraduates' knowledge of what a retail management career would involve was limited. In recent years there has been an increase in the number of retail management degrees and modules offered by universities and various types of promotional activities instigated. The demand for suitably qualified graduates to apply to the industry remains; the question is whether retail management is still a secondary choice of career for undergraduates.

Most of past researches have focused on retail business intention which has specific factors such as formal education and business experience. and also those researches are not directly supporting to get a clear

understanding about retail business intention among undergraduates. Some of the researchers have focused on entrepreneurial intention of undergraduate in Sri Lanka. Lack of studies considered the determinant factors of retail intention among the undergraduates

Findings of the results will support the policy makers, who consider the retail marketing intention as a way for reducing unemployment via University education and learning system.

Objectives of the study

1. To identify the factors which influencing on retail intention among the undergraduates of University of Jaffna.
2. To rank the factors, influencing on retail intention among the undergraduates of University of Jaffna.

Literature Review

Shapero (1982) confirmed that the motivation is the result of a need for independence, of the desire to be his own boss and the look for the autonomy. He can involve also in need for achievement and for change. In a contemporary society where we are forced to give always the best of our self to circumscribe, the future retailer is looking for the social recognition and the personal realization.

The works of Clelland (1961, 1965, and 1969) popularized this notion of need for accomplishment as being an essential characteristic of retailer and contributed to his development. Today, we cannot neglect the importance of this attribute, but we can also consider it as being an indicator. In other words, the need for achievement can serve to distinguish, in a population, the creators from the not creators (Janssen, 2006). Family with a business background often influence and motivate their siblings to involve in retail activity and they are expected to possess higher propensity to launch a business in future (Van Auken. 2006). In Singapore and Australia, students are more likely to commence new ventures upon graduation if their parents are in businesses (Breen, 1998). Fathers have a stronger influence on their children's decisions to become retailer than mothers' self-employment (Kirkwood, 2007). Some researches discuss the impact of family background factors on individual's retail intentions. Nevertheless, some researches do not think parents' behaviors would set examples to influence children's businesses intentions (Churchill,1987).

The idea is private and it is appropriated to the person when he believes in it. A sense of subjective attachment was shown, and the person who had the idea of creation, consider himself the most concerned person (Jeff Brice, 2002). The idea can be the result of discovering a new product, a new technique and a new know-how, especially for engineers and technicians who invent new processes. To build an idea, it is interesting to take place in the good networks and to see frequently the good actors. For example, a person who is interested by the new business start-up can participate in creations, help creators, and turn

as employee at first towards professional sectors and search for jobs connected with the new business start-up. It is necessary to develop an attitude to make the sponge, thus it is necessary to know how to take advantage of meetings and of fortuitous discoveries in all the places of the personal and the professional lives (Boissin, 2009)

Most of the previously conducted researches have concentrated on the direct influence of education on retail businesses intention, while only a few have looked at the impact of education as a mediator on retail business intention. Some studies have shown that education does not significantly impact on the likelihood of turning into businessman, whereas in case of higher levels of education, the impact becomes more significant (Goedhuys & Sleuwaegen, 2000). On the contrary, some studies have shown that the impact of education on retail business intention is not linear. Some researchers concluded that higher education has positive impact on businesses intention. It was particularly found that business courses lead to higher intention levels to become businessman. There is also a positive link between higher education and further success in opening a business.

Another study done in the U.S. showed that there is positive relationship between the number of years of education, and intention to become businessman. On the contrary, some studies have indicated that higher level of education has a negative impact on the business intention. In fact, these studies showed that those with diploma and undergraduate degrees show higher likelihood of becoming businessman (Kirchhoff & Greene, 1995). These studies suggest that the reason behind such findings is that usually people with higher levels of education tend to have job opportunities so that they are less likely to start their own business. Moreover, some researches indicate that higher level of education leads to lower curiosity and risk taking (Naughton, 1987). Even some research studies refer to the type of the education, and the system through which it is proposed. For instance, it has been shown that traditional education leads to lower creativity, curiosity, and risk taking, which later leads to lower tendency to become Business man (Ronstadt, 1989). Another study argues that traditional business courses tend to create analytical personality, and reduce the risk taking of the students, which scares them from taking the risk of becoming business man. In line with these findings, Shapero and Sokol (1982) raise the issue of efficient business course, as they usually lead to create the thinking that small businesses are not worth it, and lead to failure. Peterman and Kennedy (2003) claimed that formal education reduces the chances of Becoming business man, as these types of education are usually designed to prepare students to work in corporations. Kilby (1971) concluded that universities and business schools can develop only after a radical change in their intellectual and educational priorities.

Some affective skills and traits seem to play especially important role in retail business Creativity (Burke,2002), Imagination (Burke,2002 Degree of risk aversion Shackle 1979), or risk-taking (Verheul,2005: Knight 1921; Cantillon 1931; Hull et. 1980; Sexton and Bowman, 1985, 1986; Stewart, 1999; Begley, 1995; Stewart and Roth, 2001) Alertness, (Kirzner, 1973), opportunity, perception (Kirzner, 1979 Verheul,2005), vision to recognize opportunity (Kurako, 2004),Motivation (McClelland 1965: Burke, 2002), which can be also connected with locus of control (Verheul et al. 2005: Perry 1986; Rotter, 1966),Innovation (Verheul, 2005: Schumpeter, 1934).

Research results confirm the positive link between retailer ability and the level of formal education. Advanced education supports retailer entry through (Kim,2006) the acquisition of skills because students have more chances to develop necessary skills for an entrepreneur, especially critical thinking, communication and teamwork, providing an access to certain social networks, e.g., alumni network, serve as a positive signal for nascent retailer when evaluated by resource providers, e.g. business angels, venture capitalists, Sorting people by ambition and assertiveness. However, both too little and too much education discourages attempted retail. As Kim noted “The acquisition of skills and credentials may create valuable opportunities for individuals to work for others rather than pursuing a new business venture” (Kim, 2006). Self-confidants defined as an individual’s belief in their personal ability to organize and execute a project or a specific set of tasks that are necessary to achieve certain goals or intended outcomes, which in this case is the creation of a business. Self-confidence or the perception of one’s own abilities for retail marketing has been theoretically and empirically related to the phenomenon of the retail process, as a factor that encourages individuals to be retailer (Boyd and Vozikis, 1994; Kruegern and Brazeal, 1994; Chen, 1998; Burke., 2002; Arenius and Minniti, 2005; McGee, 2009).

Cooper (1992) examined various factors which influence business performance such as experience, education, occupation of parents, gender, race, age, and retail goals. While Lerner and Hisrich (1997) conducted a study on Israeli women retailer and categorized the factors that affect their performance into five perspectives, that are motivations and goals, social learning theory (entrepreneurial socialization), network affiliation (contacts and membership in organizations) human capital (level of education, skills) and environmental influences (location, scrotal participation, and socio political variables). Thibault (2002) suggested that factors influencing business performance could be attributed to personal factors such as demographic variable and business factors such as amount of financing, use of technology, age of business, operating location, business structure and number of full-time

employees as important factors in examining the performance as retail business operators.

Age is generally associated with businesses. While some researchers posit that retail business is a game for the young people, others argue that it rises with age, and the association is inconclusive. Research studies have shown that age can have an impact on retail business. It has been claimed that older individuals have less tendency to start a venture compared to the younger ones (Levesque & Minniti, 2006). In agreement with this finding, Reynolds (1987) also indicated that those who are younger tend more to become a business man. However, the results of some other studies are contradictory. For instance, it has been found that older individuals show more tendency to become retail business man. From the association of risk taking, innovation, energy, and motivation with business creation, it can also be deduced that retail business is a game for the young people so that governments target young people for retail business activities. Levesque and Minniti (2006), however observed that there are insufficient studies on the relationship between ages and that there is more need for research in this area. An interesting phenomenon is the increasing business creation among retirees and older people. Singh and DeNoble (2003) stated that many people leave their jobs before retirement; however, they tend to later come back and be employed again in bridge-employment, before completing the retirement. According to Singh and DeNoble (2003), such people are suited to go into due to their experience, savings, and social networks; therefore, they can be regarded as the next generation of retail business.

Societies are endowed by nature with different physical environments; members of society must adopt environmentally relevant patterns of behavior to achieve success. These environmentally relevant patterns of behavior lead to the formation of different cultural values in different societies, some of which influence the decision to create new businesses. Thus, culture, as distinct from political, social, technological or economic contexts, has relevance for economic behavior (Shane, 1993; Shapiro and Sokol, 1982). One of the difficulties in examining the cultural affects and effects in relation to retail activity is the lack of a precise and commonly understood definition of culture (McGrath, 1992). Anthropologists suggest that culture is related to the ways in which societies organize social behavior and knowledge (Hall, 1973; Kroeber and Parsons, 1958). Cultural values are defined as the collective programming of the mind which distinguishes the members of one human group from another and their respective responses to their environments (Hofstede, 1980). Several studies have stressed the influence of cultural factors on retailer from different perspectives. Hayton, (2002), in their literature review, link culture to three broad streams of research. The first focuses on the impact of national culture on aggregate measures of business such as national innovative output or new businesses created. The second

stream addresses the association between national culture and the characteristics of individual. The third explores the impact of national culture on corporate retail market. Accordingly, when an individual creates a business in a specific cultural environment, this business reflects that cultural environment, for example characteristics such as strategic orientation and growth expectations for the business. Much of the research considers cultural variables has followed Hofstede's (1980, 2001) seminal work showing how culture is manifested in various forms, and how cultural values at individual or societal levels are influenced by national culture. According to this view, cultural differences across societies can be reduced to four quantifiable dimensions: uncertainty avoidance, individualism, masculinity and power distance. The dimension of uncertainty avoidance represents preference for certainty and discomfort with unstructured or ambiguous situations. Individualism stands for a preference for acting in the interest of one's self and immediate family, as distinct from the dimension of collectivism, which stands for acting in the interest of a larger group in exchange for their loyalty and support. Power distance represents the acceptance of inequality in position and authority between people.

In literature, Bommess and Kolb (2004) examined economic factors affecting retail marketing at two levels of structural and personal positions. In their study, structural position implies barriers and opportunities, and personal position depicts potentials and limitations. Structural positions include goods and services, access to credit and loans, competitive market and tax rates. Personal positions cover skilled and trained staffs, human capital and income level. Jancikova (2004), in the study of economic factors affecting agricultural retailer marketer implicated two broad factors namely measurable and immeasurable factors. According to the study, measurable factors include geographic location, quality of land, and size of organization, organizational structure and financial incentives for employees. Immeasurable factors comprise quality of management, leadership style, staffs' attitudes and non-financial incentives for employees. In a study conducted in Iran with the aim of investigating factors affecting empowerment of villagers, persistence factor, organizational factor, finance, education, personal autonomy, previous experience, creativity, sense of accomplishment, and internal control were factors with likelihood to increase.

Economic and institutional factors determining retailer intention. The act of creating a business entails planned behavior that can be predicted based on the intentions presented by the individual at a given time (Krueger., 2000). The study by Carayannis (2003) observed that macroeconomic, sociocultural and politico-legal environmental factors (including the presence or absence of active institutional policies for business creation) have a major impact on retailer intention. Of the three approaches

(psychological, economic, institutional), in this paper we mainly use the institutional approach (North, 1990)

Within this institutional framework, Gnyawali and Fogel (1994) consider five dimensions that determine retailer activity: government policies and procedures (the actions by which governments seek to influence the mechanisms and regulation of the market so that it operates efficiently) social conditions (favorable attitudes toward retailer marketing and the existence of successful models of reference) and economic conditions (aspects such as economic growth, diversity of economic activity, unemployment rate, inflation rate, etc.) knowledge and skills (the technical skills necessary to start a new business, acquired through business management training) financial assistance for business (financing facilities for starting the new business), and non-financial assistance (advice on conducting market research, preparation of the business plan, access to contacts and social networks).

Shane and Venkataraman (2000) corroborate this approach by developing a model based on business opportunities, which considers the need to introduce the economic and institutional characteristics of markets into the conceptual framework. Some research studies have shown that certain characteristics of individuals are related to the successful identification of opportunities (Ardichvili, 2003). These characteristics include their level of optimism, understood as confidence in their self-efficacy for, which leads the individual to see opportunities rather than threats in a given situation (Shane and Venkataraman, 2000). In other words, self-efficacy (confidence in the perception of the individual's own abilities) is considered a determinant factor in the ability to identify and evaluate business opportunities

Kittichai (Tu) Watchravesringkan, Nancy Nelson Hodges, Jennifer Yurchisin, Jane Hegland, Elena Karpova, Sara Marcketti, Ruoh-nan Yanr (2013) revealed that self-actualization as a value significantly influenced attitudes, which, in turn, influenced entrepreneurial career intentions. Both entrepreneurial knowledge and skills moderated the relationship between self-actualization and entrepreneurial career attitudes. Findings shed light on the influence of personal values and entrepreneurial knowledge and skills on entrepreneurial career choice.

Financial resource, according to Levie and Autio (2008), financing is recognized as the most important regulator of the allocation of efforts in retailer initiatives. Meanwhile, Leibenstein (1968) noted that the sophistication of credit systems encourages financing for entrepreneurial projects. Financing difficulties encountered by individual are therefore regularly cited as a barrier to the creation of new businesses (Volery, 1997; Kouriloff, 2000; Robertson., 2003; Choo and Wong, 2006); as the lack of initial capital, the high cost of private financing, and the obvious difficulty with finding external resources, generally forces retailer to resort to public funding, through grants and/or low interest

loans (Urbano, 2006). In short, the ease of access to sources of financing should be considered as a structural factor that influences retailer intention.

The institutional literature on retailer places particular emphasis on the role of the government as a key factor affecting the perception of opportunities, which can be broken down into three major aspects. First, the government policies that affect the retailer process, which is the interest shown by government bodies in retail marketing or like those defined by Lundstrom and Stevenson (2001) as governments should focus their effort on creating a culture that validates and promotes retailer throughout society and develops a capacity within the population to recognize and pursue opportunity Levie and Autio (2008) argue that government policy is a key determinant factor in the perception of the retailer opportunity. In fact, there is a general consensus that retailer is a phenomenon that can be addressed by policymakers, and that increased awareness and attention from policymakers should be positively associated with the allocation of efforts towards business (Audretsch, 2007). This opinion was shared by Leibenstein (1968), who recommended that government policy should focus on improving market efficiency and providing an environment that responded to motivated retailer. It is thus suggested that the government should concern itself with retailer when designing and implementing policies (Levie and Autio, 2008).

Methodology

The target population of this study is the graduates passed out from Universities. Researcher issues questionnaires to 383 Graduates from the Faculty of Management Studies University of Jaffna. Researchers received 350 valid responses. Researcher developed 71 questions to measure fourteen factors identified from various literatures.

Exploratory Factor Analysis is a general name denoting a class of procedures primarily used for data reduction and summarization. In research, there may be a large number of variables, most of which are correlated and which must be reduced to a manageable level. Relationships among sets of many interrelated variables are examined and represented in terms of a few underlying factors (Malhotra & Dash, 2010). To reduce the factors into the rotated factors with interrelated components, present study used the EFA.

Data Analysis

Results of Exploratory Factor Analysis

Initially 14 factors were identified for the factor reduction via Exploratory Factor Analysis (EFA). Variables which take the values less 0.5 after extraction were removed and again EFA was conducted. Passion (0.499), Family Background (0.302), Government supports (0.361), were taken out from the EFA. satisfied values after extracted excluding the variables have less than 0.5, the 14 factors were considered

for EFA. Form the correlation matrix, determinant value 0.002, which is at the accepted level.

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.788
Bartlett's Test of Sphericity	Approx. Chi-Square Df Sig.
	581.117 359 .000

Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is still a useful method to show the appropriateness of data for factor analysis. KMO statistics varies from 0 to 1. Kaizer (1974) recommends that the value of KMO should be greater than 0.5. Field (2000) stated that the values of KMO 0.5 to 0.7 are moderate, 0.7 to 0.8 are good, and 0.8 to 0.9 are superior. In the present study, the value of KMO for overall matrix is 0.788 from Table 3 and thereby indicating that the sample taken to process the factor analysis is statistically significant. This test should be significant that is having a significance value less than 0.05. The table 3 above shows that the test value of chi-square 581.117 (P=

0.000<0.05) is highly significant indicating that the data is appropriate for the factor analysis in the present study.

The number of dimensions selected can be based on a range of criteria and it is widely recommended a variety of approaches are used when making this decision Abrigar (1999). According to Tabachnick and Fidell (2007) this stage should take an exploratory approach by experimenting with the different numbers of factors until a satisfactory solution is found. However, in order to do this, researchers need to familiarize themselves with the different criteria that can be used to determine the number of factors. The first and most popular method for deciding on the retention of factors is Kaiser’s Eigenvalue greater than 1 criterion (Fabrigar, 1999). This rule specifies all factors greater than one are retained for interpretation. This method offers the advantage of being easy to understand and is also the default method on most programs. Reverting to the study, if we are to apply Kaiser’s eigen value greater than 1 criterion researcher would extract only one factor from the dataset. This is determined by examining the Total Variance Explained table (shown below in Table 2.) list the Eigen values associated with each linear component (Factor) before extraction, after extraction and after components.

Table 02: Eigen values and loadings of Factors

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.440	38.856	38.856	5.440	38.856	38.856	2.513	17.947	17.947
2	1.322	9.446	48.302	1.322	9.446	48.302	2.491	17.794	35.742
3	1.195	8.534	56.836	1.195	8.534	56.836	2.158	15.416	51.158
4	1.135	8.106	64.943	1.135	8.106	64.943	1.674	11.961	63.119
5	1.032	7.368	72.311	1.032	7.368	72.311	1.287	9.192	72.311
6	.774	5.526	77.837						
7	.704	5.030	82.867						
8	.509	3.634	86.500						
9	.439	3.136	89.637						
10	.378	2.704	92.340						
11	.375	2.676	95.017						
12	.312	2.227	97.243						
13	.211	1.504	98.747						
14	.175	1.253	100.000						

Before extraction EFA has identified 05 linear components (factors) within the data set. The Eigen values associated with each factor represents the variance explained by that particular linear component. Output shows the Eigen value in terms of the percentage of variance explained (F1 explains 38.85% of total variance) It should be clear that the first few factors explains relatively large amounts of

variance (especially Factor1) whereas subsequence factors explain only small amounts of variance.

The Eigen values associated with these factors are again displayed (and the percentage of variance explained) in the columns labeled “Extraction sums of squared loadings”. The values in this part of the table are the same as the values before extraction, except that the values for the discarded factors are ignored. (Hence the table is blank after

“Retail Business Intention amidst the Undergraduates”

the fifth factor). In the last three columns of the table (Rotation sums of squared loading) the Eigen values of the factor after rotation are displayed. Rotation has the effect of optimizing the factor structure and one consequence for these data is that the relative importance of the four factors is equalized. the rotated components matrix Four factors for retail intention could be explained that the Eigen value for each factor is greater than 1.0 (2.51,2.49,2.15,1.67,1.28) which means that each factor can explain more variance than a single variable. The cumulative percentage of variance explains by one factor is 38.856 (%) per cent. In

other words, more than 72.31(%) per cent of the common variance shared by five factors can be accounted.

The output also shows the component matrix before rotation. This matrix contains the loadings of each variable in each factor. By default, SPSS displays all loadings. However, we requested that all loading less than 0.5 be suppressed in the output, and so there are blank spaces for many of the loadings. This matrix is not particularly important for interpretation. At this stage EFA extracted four factors.

Table 3: Factor Rotation

	Component				
	1	2	3	4	5
Demographic factor	.579				
Experience	.717				
Finance stability	.677				
Education	.825				
Technology		.671			
Personal factors		.873			
Operating supports		.641			
cultural		.576			
motivation factor			.883		
social supports			.629		
Need for achievement				.543	
Financial supports				.661	
Learning system				.828	
Unemployment					.919

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.^a

Factors are rotated to make them more meaningful and easier to interpret (each variable is associated with a minimal number of factors). Different rotation methods may result in the identification of somewhat different factors. The most commonly used method for rotation is the Varimax procedure. This is an orthogonal method of rotation that minimizes the number of variables with high loadings on a factor, thereby enhancing the interpretability of the factors. Orthogonal rotation results in factors that are uncorrelated.

The factor rotation table03shows the components related to the given factors. The factor 1 corresponds with

demographic factor, experience, finance stability, education. The factor 2 corresponds with technology, personal factors, operating, supports, culture. The factor 3 corresponds with motivation factor, social supports The factor 4 corresponds with financial support, learning system, and need for achievement. The factor 5 corresponds with unemployment.

Ranking factor

According to the procedure of ranking factors (Malhotra 2004), components coefficient matrix and correlation coefficient matrix were multiplied. Following table shows the ranked variable.

Table 4: Ranking of Factors

Key variables	No. of Variables	Rotated component coefficient matrix* and correlation coefficient matrix.	TOTAL	Factor Score	factors	Rank
Factor 1	demographic	0.579*0.379	0.219	0.943	Education	1
	experience	0.717*0.400	0.284			
	Finance stability	0.677*0.353	0.238			
	Education	0.825*0.245	0.202			

“Retail Business Intention amidst the Undergraduates”

Factor 2	Technology	0.671*0.487	0.326	0.893	Personal factors	2
	Personal factor	0.873*0.415	0.362			
	Operating Facility	0.641*0.251	0.059			
	Cultural	0.576*0.255	0.146			
Factor 3	Motivation	0.883*0.584	0.515	0.702	Motivation	4
	Social support	0.629*0.298	0.187			
Factor 4	Financial support	0.661*0.636	0.420	0.852	Learning system	3
	Learning System	0.828*0.478	0.315			
	Need for achievement	0.543*0.216	0.117			
Factor 5	Unemployment	0.936*0.725	0.67	0.67	Unemployment	5

Conclusion

The research is aimed to identify and understand the factors influencing retail business intention among the undergraduates. The factors such as motivation, need for achievement, experience, education, demographic, financial stability, technology, operating support, personal factor, culture, social support, financial support, unemployment and learning systems were identified as the influencing factors on business intention in different context. 63 questions were developed to measure those factors as retail business intention and then EFA was conducted to identify the factors which influence the retail business intention among undergraduates.

This study has successfully achieved an overall understanding about the factors influencing the retail business intention amidst the undergraduates of the faculty of Management studies, University of Jaffna. The research also developed the measures the fourteen factors influencing retail business intention. The results of this study do not only show significant factors influence the undergraduates' retail business intention, but also have important implications for educational and political reforming in order to develop retail business intention in terms of quality and quantity, and highly prepare the foundation for individuals to succeed as business men(women)future. The study contributes to the study of business intention around the globe and provides recommendations to assist policy makers in business intention training and support new business founders in the fields of private retail enterprise.

Education, personal factors, learning system, motivation and unemployment were selected as the determinants of retail business intention among the undergraduates. Then factors were ranked and the findings shows that education is most influencing factor.

Educational policies should cover the practical knowledge on retail business, rather than forming big ventures. Form the year of entrance undergraduates should be involved with active learning process for involving them as retail businessman /women. This study is only covers the preliminary analysis via EFA to reduce the factors. Further

studies can consider more sophisticated statistical analysis to confirm the factors and retail business intention future.

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