THE PSYCHOLOGICAL FORMATION OF AN ENTREPRENEUR: ENTREPRENEURIAL INTENTION MODEL

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Abstract - This study aims to identify the major personality traits and their influence on entrepreneurial intentions of Pakistani business students in presence of perceived support and perceived barriers. Study used a close ended questionnaire adopted from previous studies to collect the data from 200 business students studying in business schools of Karachi, Pakistan. The Study applied Partial Least Square (PLS) method to analyze the relationships. Results revealed that attitude, innovativeness and risk taking ability have highly profound influence on entrepreneurial intentions. Further, study applied PLS by dividing them into categories of those studied in Cambridge education system. Interestingly, risk taking ability and innovativeness were high among those who studied matric system which is contrary to perceived wisdom. Based on findings, study suggests to devise awareness programs aimed at persuading student's attitude toward entrepreneurship and nurturing their creativity. For in-depth analysis, study suggests to focus on the high risk takers and innovators to understand what drives them to do so.

Index Terms - Entrepreneurial intention, Attitude towards entrepreneurship, psychological formation

I. INTRODUCTION

In recent years, a substantial scholarly literature has emerged, highlighting various hues of entrepreneurship. Entrepreneur is believed to be the one who "who identify market opportunities and fulfill this gap in an innovative manner" (Kuratko and Hodgetts 2004). Technological advancements along with globalization have compelled the job seekers to be more innovative (Herman 2017). However, as the innovative bent increases, the person tries to be as independent as possible and the only arena where one can savor this luxury is entrepreneurship. But, not everyone agrees to climb the steep cliff of failing and very few decide to embark upon the journey with more chances of failure and apparently very dismal chances of kissing success. Owing to innumerous amount of factors, it requires both intrinsic motivation and external conducive environment to entrepreneurship (Raj 2011; Wang et al., 2016). In developing countries because environment is not conducive for entrepreneurial startups, therefore more than 95 percent of business startup cannot survive more than a few months. A case in hand is Pakistan, where dismal growth coupled with less employment opportunities have created a chaotic situation. In such scenario directing the educated youth toward entrepreneurship can be a viable option. However, a little has been done in context of Pakistan to know what drives youth to opt for entrepreneurship. Especially in a situation where still it is ambivalent what are the major factors affecting entrepreneurial intentions and how do they affect. Knowing such factors can help policy makers to promote entrepreneurship organically. Despite the fact that, every year business schools are producing thousands of business graduates, it is hard to find any youth in pursuit of entrepreneurship. Number of researcher's suggest for promoting entrepreneurship, it is vital to identify the local factors influencing entrepreneurship in that country (Mubarik et al., 2016; Wang et al., 2016). Identifying such factors and analyzing their impact on entrepreneurial intentions can provide important insights for promoting entrepreneurship. Despite of extensive literature on the issue in developed countries, lesser is known on this topic in developing countries like Pakistan. Therefore this study aims to examine the impact of proposed personality traits on entrepreneurial intention. Study also aims to investigate the role of attitude in channelizing the influence of personality traits on entrepreneurial intentions in presence of perceived barriers and perceived support.

II. LITERATURE REVIEW

Since long, researches have focused on identifying the factors that may affect the intention of an individual to become an entrepreneur. Majority of such studies consider personality traits one of the key factor. For example, Krueger,(1993) and Krueger, Reilly and Carsrud, (2000) and Karimi et al.,(2017) found that intention to adopt entrepreneurship as a profession depends on the personality traits and entrepreneurial skills, while readiness provides the requisite momentum to start the entrepreneurial career. Most of researches in this area centered on theory of planned behavior, with a core idea that intention translates into action that lead towards starting a business (Aizen

1987; Mustafa et al., 2016; Herman 2017). There is lack of inspiration towards becoming a self-employed person because of the image of an entrepreneur in a society, deficiency of self-efficacy, failure to arrange vital financial resources. Last but not the least, the will to take some concrete steps are assumed to be the obstacles in starting an entrepreneurship (Henry et al., 2003). Although, lot of literature has been available on the attitudes and entrepreneurial intention. But still, there is a gap in the knowledge in this respect within a regional context and with global perspective. All studies emphasize that thorough understanding of elements that impact the individual intention to go or not to go for an entrepreneurial venture is very important for all stakeholders. (Gorman, Hanlon and King, 1997) conclude that content of an entrepreneurial course and sequel entrepreneurial activities impact is astonishing on the students to become an entrepreneur. There is general consensus among the finding of various studies that entrepreneurial schooling increases the intention of students to become an entrepreneur. All those entrepreneurial programs that are more practical in nature and providing case study base learning to their students have a greater impact on student's intention to become an entrepreneur (Peterman&Kennedy 2003; Wang et al., 2016).

Various studies have focused on the factors that persuade an individual to become an entrepreneur. Scholars (e.g. Manev, Gyosphey & Manolova, 2005; Baum & Locke, 2004) highlight various factors motivating individuals to start their own business. These can be categorized as pull factors and push factors. Factors including liberty, social status, locus of control and family back ground come under the category of "pull factors". While elements such as level of education, qualification needed for a respectable job or discrimination towards minorities and women by not giving them access to labor market are counted under the category of push factors (Basu & Altinay, 2002; Karimi et al.,2017). In addition to these two categories, Chrman, et al., (1990) argue that an entrepreneurship is also driven by certain psychological factors. These include risk propensity, locus of control, need for achievement, innovativeness, self-confidence and tolerance for ambiguity. Interestingly, heap of scholastic work has been done on the push factors but lesser can be seen in context of pull and psychological factors (Lai,et al.,2017). Before putting them in a framework below is description of each elements individually.

1) Risk Propensity

One of the key conceptions of entrepreneur is risk-taking, it's typically used to describe the characteristics of an entrepreneur. The main difference between an entrepreneur and an employee is the ambiguity and risk elements associated with self-employment. Entrepreneurs are keen to accept psychological, social and personal risks (Lumpkin and Dess, 1996). Literature suggests that entrepreneurs' are found to have higher risk propensity (Cromie, 2000; Teoh and Foo, 1997). Launching a new enterprise has an inherent property, it contains uncertainties (Burke & Millar, 1999). Brockhaus (1982) was of the view that, entrepreneurial events are centered on the risky business actions performed by an entrepreneur. Therefore, we hypothesize as follows:

H1a: Students with a high risk taking propensity have positive attitude towards entrepreneurship.

H1b: Students with high risk taking propensity have higher entrepreneurial intent.

2) Locus of Control

It is defined as individual's awareness about the consequence of their engagements, under external or internal control. The fate is decided by Locus of control means whether a person considers himself to be having control over the events in his life (Leone and Burns, 2000). Derived from social learning theory, this concept was first introduced by Rotter in 1966. The people with inner locus of control consider themselves to be the architect of their lives. While, the people with external locus of control consider luck, situations, problems to be having effect on their lives. Many studies have found entrepreneurs to be having "internal locus of control" (Mueller and Thomas, 2000; Utsch and Rauch, 2000). While (Krueger 2009) has established through their research findings that locus of control is an important variable in the study of entrepreneurial intention. As a result, we hypothesize the following:

H2a: Students with an internal locus of control have positive attitude towards entrepreneurship.

H2b: Students with an internal locus of control have greater entrepreneurial intent.

3) Need for Achievement

Need for achievement is required in almost all spheres of life but if someone wants to be an entrepreneur then this is something that makes a difference. McClelland (1961) elaborated different needs that influence the human actions. He said that the need for achievement directs an individual to act in certain direction and motivates him do certain act for an extended period of time. Davidsons (1989) is also of the view that it is one of the crucial factors that agitate the individual to consistently work for some set goal. Behavior of an individual is regulated by the presence of substantial need for achievement (Locke and Latham, 1994). This motivation plays an important role in the behavior of an entrepreneur to accomplish their goals. Markman, Baron and Balkin(2005) advocate that entrepreneurs are more unruffled than non-entrepreneurs when they

are facing some harsh situation. Need for achievement agitates an entrepreneur to act in a certain direction. Miller & Breton-Miller (2017) illustrates the need for achievement as a competitive conduct for attaining superiority over others. These types of needs persuade entrepreneurs to take on challenges that are intrinsic of entrepreneurial processes (lee, 1996). From the discussion above, we draw the following hypotheses:

H3a: Students with a need for achievement have positive attitude towards entrepreneurship.
H3b: Students with a need for achievement have a greater entrepreneurial intent.

4) Innovativeness

Entrepreneurship and innovation is synonymous to each other, this feature distinguishes entrepreneurs from other persons (Entrialgo, Fernandez and Vazquez, 2000). Innovation is a multidimensional concept that can take place in many ways such as, creating a new organization or reorganizing the old one to improve its efficiency, carving a new product, exploring new venues for marketing their products, altering the work processes and procedures by introducing new production methods and taping new venues for supplies. Peter Drucker argues that while entrepreneurs are always in the pursuit of a new idea of market or product, opportunity plays an instrumental role in this regard (Gelaidan et al., 2017). Further to it, Gelaidan et al., (2017) also concluded that the key factor that differentiates an entrepreneur from a manager is nothing but innovation. This relationship can be hypothesized in this way:

H4a: Innovative students have a positive attitude towards entrepreneurship.
H4b: Innovative students have a greater entrepreneurial intent.

5) Self-confidence

It is found that entrepreneurs as a special case, are required to exhibit greater self-confidence than average individuals. Self-confidence is categorized as one of the most distinctive characteristic of an entrepreneur. (Koellinger, Minniti and schade, 2006) while studying the self-confidence inferred that entrepreneurs have greater magnitude of overconfidence as compared to general individuals. It has also been revealed by various studies that self-confident people are more likely to launch their own businesses as compared to people that have less confidence in them. Davidsson (1989) states that these factors have appeared in many empirical studies to categorize entrepreneurs. Entrepreneurs are presumed to be highly self-confident because they are in a situation of make or break. Only a self-confident person can handle this situation, otherwise, chances of success will be very bleak. Koh(1996) stated that entrepreneurs have higher self-esteem, as compared to any other group of professionals. Even inside the entrepreneurs there is a difference amongst stages of self-confidence, those who have initiated an enterprise are more confident than others (Forbes, 2005; Gelaidan et al., 2017).Human characteristics such as self-confidence has an impact on the intention to become an entrepreneur (Minniti, Arenius and Langowitz, 2004; Mubarik et al., 2016; Ahsan , 2017). So we came with following hypothesis:
H5a: Self-confident students have positive attitude towards entrepreneurship.
H5b: Self-confident students have a greater entrepreneurial intent.

6) Tolerance for Ambiguity

Norton (1975) found that in a vague state there is little information, secondly it is complex and contradicting in nature. Moreover, it is believed that an individual having high tolerance for ambiguity will recognize such a state as impetuses, interesting, challenging and desirable, because dealing with risky, obscure and constantly changing situation is the real thrill of an entrepreneurial profession (McMullen & Shepherd 2006). Uncertainty and risk taking is the trade mark of an entrepreneurial profile, it agitates them to make innovative and novel decision (Cromie,2000; Mubarik et al., 2016). Budner (1962) an ambiguous situation is more desirable when you have an inclination towards tolerance for ambiguity. It is found that entrepreneurs mostly work in unstructured environment, having undefined options and are also responsible for the outcome of decisions that they have taken in ambiguous situations (Entrialgo et al., 2000). Hypothetical relationship is as following:

H6a: Students having high tolerance for ambiguity have a positive attitude towards entrepreneurship.
H6b: Students having high tolerance for ambiguity have a greater entrepreneurial intent.

7) Attitude towards Entrepreneurship

There are various factors that play a role in the formation of an attitude towards anything. One of them is the psychological reinforcement to an individual. Crant (1996) also endorsed this phenomena and the attitude towards owning a business. He has done his research in an American university, which concludes that if parents are self-employed, level of education and gender has an impact on the attitude towards entrepreneurship. While Caird(1988) determined that entrepreneurial attitude is the outcome of individual characteristics such as self-belief, creativity, internal locus control, desire for autonomy and risk taking. Mazzarol, Doss & Thein (1999) studied the western Austrian entrepreneurs and conclude that economic factors, social factors, political factors, individual

characteristics along with family background has an influence on the attitude formation about an entrepreneurship. Study further elaborated that personality of an individual, with factors mentioned earlier also has a role in attitude formation towards being an entrepreneur. Some of the characteristics of an entrepreneur are established by the previous researches are as follow; need for achievement by McClelland,(1961), internal locus of control by Brockhous (1982), tolerance for ambiguity by Schere (1982). Naffziger, Hornby & Kuratko, (1994) came up with the conclusion that personality traits such as risk taking, internal locus of control, and need for achievement has an impact on attitude formation along with personal factors such as family status, family business, gender vision of being an owner of a business. In addition, it studied environmental factors such as availability of financing to an entrepreneur, image of an entrepreneur in the society and business ideas also impact on the attitude towards an entrepreneur. As result of the literature review we have following hypothesis:

H7a: Students having a favorable attitude towards entrepreneurship have strong intention to become an entrepreneur.
H7b: Students with an internal locus of control have higher entrepreneurial intent.

8) Perceived Barriers

While a person has an intention to initiate an entrepreneurship, but due to some negative factors that are in the external environment one is not finding it feasible (Shapero, 1984; Davey et al., 2016) While exploring attitude formation factors concluded that society attitude towards an entrepreneurship, accessibility to incubators and availability of credit to these young entrepreneurs are key factors that help in forming any type of intention towards being an entrepreneur. A survey conducted by Begley et al., (1997) among the MBA students of various countries and it was pointed out that social status enjoyed by an entrepreneur is a good forecaster of student's intention. But due to non-availability of conducive environment such as availability of finance and consultant facilities for these fragile ventures. Last but not the least the lack of support of government and people mostly refrain from doing so. Now look at following hypothesis:

H8: Perceived barriers mediates the relations between IVs and entrepreneurial intent.

9) Perceived Support

Similarly a graduate's intentions towards becoming an entrepreneur is triggered by the external factors that are in favor to become an entrepreneur. Some studies suggest that the image of an entrepreneur established in the mind of students while they were studying the entrepreneurship related courses in their universities inspired them to become an entrepreneur. Chen, Greene and Crick (1998) studied the MBA students of US business schools and it was concluded that there is a positive relationship between the various management courses that students take and the intention for going for own business. Previous studies show that children who grow-up in business family are likely to become an entrepreneur. Scholastic work also mentions that nature and nurture play a catalytic role in the upbringing of child and socio economic status they may be enjoying. Along with it universities can play an important role in facilitating their students to become an entrepreneur (Björklund, Jantti and Solan, 2007; Davey et al., 2016). Against this backdrop, following hypothesis is drawn:

H9: Perceived support moderates the relations between independent variables (IVS) and entrepreneurial intent.

III. METHODOLOGY

The above conceptual frame work was based on the theoretical and empirical literature discussed above. Model depicts the set of personality traits have been taken from the literature review. Their impact on two of the variables namely attitude towards entrepreneurship and entrepreneurial intent are under study. Attitude towards entrepreneurship has also been taken as a mediating variable. In addition, to personal attributes and individual skills related factors there are also some environmental factors that play a catalytic role in the formation of a student's intention towards becoming an entrepreneur.

Various sociological theories highlight the various cultural, social and economic factors that may play a positive or a negative role in the formation of intention towards an entrepreneurship. Data Collection Instrument.The data was collected though a close ended questionnaire adopted from the sources explained in Table 1. It comprises of two sections , section one entails questions about demography of respondents and the second section contains 40 questions representing each construct of entrepreneur intentions. All questions have been developed on a five point Likert scale, 1 from strongly disagree to strongly agree with the middle neutral point.

Constructs	Source	items	Consistency
Risk Propensity	Robichaud et al. (2001)	4	0.79
Locus of Control	Robinson,et al(1991)	4	0.77
Need for Achievement	Robinson,et al(1991)	4	0.80
Innovation	Robinson,et al(1991)	4	0.79
Self Confidence	Turker et al. (2005)	4	0.79
Tolerance for Ambiguity	Turker et al. (2005)	4	0.76
Attitude towards Entrepreneurship	Lu¨thje, C. & Franke, N., 2003	4	0.79
Perceived Barriers	Lu¨thje, C. & Franke, N., 2003	4	0.77
Perceived Support	Lu¨thje, C., & Franke, N., 2003	4	0.75
Entrepreneurial Intention	Parnell et al. (1995)	4	0.81

Table 1: Sources of construct adoption

Profile of Respondents	Freq	%age
(1) Gender		
Male	117	58.5
Female	83	41.5
(2) Program		
BBA	139	69.5
MBA	61	30.5
(3) Parent Status		
Currently Self-employed		
Yes	107	53.5
No	93	46.5
Previously Self-employed		
Yes	111	55.5
No	89	44.5
(4) Students education Background		
Matric	105	52.5
O-Level	95	47.5

Table 2 : Respondents Demographic

Population and sampling

The targeted population for this study is the students of business schools in Karachi, Pakistan. The students were approached and available students were given the questionnaire to collect the data.

For the collection of data 325 students were approached out of which 230 filled the questionnaires were returned by respondents, 25 questionnaires were incomplete, so we didn't count in the study. Finally 200 questionnaire were available for analysis with response rate of over 60%.

Analytical technique

Study used Partial Least Square (PLS) to test the hypotheses. This technique was preferred owing to its ability to deal with low sample size.

A. Figures and Tables

Profile of respondents appears in Table 2. Around 58% of respondents are male, while remaining are female. Furthermore, 69.5% of the respondents are students of BBA program. On the other hand, 30.5% of the respondents are from the MBA program. Moreover, 53.5% of the respondents said that they were previously employed, while, 46.5% of the students said otherwise. Likewise, 52.5% of the respondents are coming matric back ground and 47.5% of them said that they had done o-level.

The study applied of PLS in two steps. In first step, the validity and reliability of the construct were checked, results appear in Table 1. Results of factor loading show that loading of each item range from 0.70 to 0.83. It shows that all items well load on their respective constructs. Likewise the value of AVE of CR are greater than required level of 0.50 and 0.60 respectively. In order to be acceptable AVE should be more than 0.5 while CR must be greater than 0.6. AVE and CR of all constructs is greater than their required threshold level.

Table 2 shows the correlation among constructs showing. The value of correlation among constructs range between 0.13 to 0.48, showing weak to moderate correlation among constructs. These results show constructs have both discriminant validity and convergent validity. Descriptive statistics appearing in Table 2 shows that Need for achievement has the highest mean output of 4.15 standard deviation of .81. Risk propensity has lowest mean of 3.38 with standard deviation .89 among the independent variables. Most of the variables are significant at 1% significance level.

Attitude towards entrepreneurship has the highest correlation with tolerance for ambiguity and lowest correlation with need for achievement. Entrepreneurial intention has the highest correlation with self-confidence. While it has a lowest correlation with independent variable of locus of control

Construct	Items	Factor Loading	CR
Risk	Risk1	0.74	0.79
	Risk2	0.71	
	Risk3	0.81	
	Risk4	0.72	
Locus Control	locus1	0.76	0.77
	locus2	0.77	
	locus3	0.69	
	locus4	0.74	
Achievement	Achv1	0.75	0.80
	Achv2	0.83	
	Achv3	0.82	
	Achv4	0.7	
Innovation	Inv1	0.72	0.79
	Inv2	0.81	
	Inv3	0.82	
	Inv4	0.71	
Self Confidence	Conf1	0.73	0.79
	Conf2	0.70	
	Conf3	0.71	
	Conf4	0.72	
Ambiguity	Ambig1	0.71	0.76
	Ambig2	0.72	
	Ambig3	0.73	
	Ambig4	0.74	
Attitude	Attitude1	0.77	0.79
	Attitude2	0.73	
	Attitude3	0.77	
	Attitude4	0.78	
Perceived Barrier	Barrier1	0.77	0.77
	Barrier2	0.72	
	Barrier3	0.77	
	Barrier4	0.76	
Perceived Support	Support1	0.71	0.75
	Support2	0.71	
	Support3	0.70	
	Support4	0.78	
Intention	Intntion1	0.77	0.81
	Intntion2	0.81	
	Intntion3	0.81	
	Intntion4	0.71	

Table 3 Reliability and Validity Tests

To test the hypotheses of research, the data was broken into two parts. One was for matric stream students and the other one was for O level stream students. But before that the combined analysis was carried out for the overall sample whose results are shown in table

Hypotheses	Values
Risk → Entrepreneur Intentions	0.36*
Locus of control → Entrepreneur Intentions	0.24**
Achievement → Entrepreneur Intentions	0.17*
Innovativeness → Entrepreneur Intentions	0.31*
Self Confidence → Entrepreneur Intentions	0.21**
Tolerance for Ambiguity → Entrepreneur Intentions	0.19**
Attitude Towards Entrepreneurship → Entrepreneur Intentions	0.39*
Moderation	
Perceived Support	0.27**
Perceived Barrier	0.16*

Table 4: Results (Total Sample)

* and ** show the level of significance at 1% and 5% respectively

The table shows the independent variables to be the useful estimators of Entrepreneur intention. The standardized coefficient for all the constructs are found to be significant at 5%. Risk propensity, locus of control, need for achievement, innovation, self-confidence, ambiguity, and attitude were found to be significant estimator of entrepreneur intent. Perceived support and perceived barriers were significantly moderating the impact on entrepreneur intent.

Hypotheses	Values
Risk → Entrepreneur Intentions	0.36*
Locus of control → Entrepreneur Intentions	0.21*
Achievement → Entrepreneur Intentions	0.15**
Innovativeness → Entrepreneur Intentions	0.28**
Self Confidence → Entrepreneur Intentions	0.31**
Tolerance for Ambiguity → Entrepreneur Intentions	0.11**
Attitude Towards Entrepreneurship → Entrepreneur Intentions	0.31*
Moderation	
Perceived Support	0.23*
Perceived Barrier	0.24*

Table 5: Results (Matric)

* and ** show the level of significance at 1% and 5% respectively

Above table 4 shows the results for the students coming from matric system of education. Here we can say that independent variables to be the useful estimators of Entrepreneur intention. The standardized coefficient for the constructs need for achievement, innovation, confidence and ambiguity are found to be significant at 5%. While the construct of Risk propensity, locus of control, attitude towards entrepreneurship, perceived barriers and perceived support are significant at 1%. So it can be said that all independent variables were found to be significant

estimator of entrepreneur intent. Perceived support and perceived barriers were significantly moderating the impact on entrepreneur intent.

Hypotheses	Values
Risk → Entrepreneur Intentions	0.23*
Locus of control → Entrepreneur Intentions	0.31*
Achievement → Entrepreneur Intentions	0.19*
Innovativeness → Entrepreneur Intentions	0.21*
Self Confidence → Entrepreneur Intentions	0.19**
Tolerance for Ambiguity → Entrepreneur Intentions	0.27**
Attitude Towards Entrepreneurship → Entrepreneur Intentions	0.35*
Moderation	
Perceived Support	0.31*
Perceived Barrier	0.12*

Table 6 Results (O Level)

* and ** show the level of significance at 1% and 5% respectively

Above Table 5 is showing the results for the students have basic education from the Cambridge system. As we know that independent variables to be the useful estimators of Entrepreneur intention. The standardized coefficient for the constructs risk, locus of control, need for achievement, innovation, attitude towards entrepreneurship, perceived support and perceived barrier are found to be significant at 1%. While the construct of confidence and tolerance for ambiguity are significant at 5%. So it can be said that all independent variables were found to be significant estimator of entrepreneur intent. Perceived support and perceived barriers were significantly moderating the impact on entrepreneur intent.

CONCLUSION AND IMPLICATIONS

This study aimed to test the proposed personality traits to be the determinants of entrepreneurial intent. In addition to this study also looked into the perceive support and perceived barriers that affect the intention of business school students of Karachi. The results of this study show that the risk taking propensity has significant influence on entrepreneurial intention. These findings are in congruence with those of Nystrom (1990), Cromie (2000) and Ahsan (2017). These studies, among many, suggest risk propensity to be a useful estimator of entrepreneurial intention. One may think that the distinction of entrepreneurs from a managers is that they take more risk. Interestingly, detailed analysis revealed a low propensity of risk among the population under study exposing the lesser degree of interest among youth toward entrepreneurship. This is alarming and need immediate attention of policy makers. It requires development of risk taking propensity among the students so it can be enhanced. Study also reveals profound role of locus of control in forming the entrepreneurial intentions. The similar findings alights in many other studies like Mueller and Thomas (2000), Utsch and Rauch (2000) and Krueger (2009). Further, profound influence of need for achievement concurs with the results Sagie & Elizur (1999); Forbes (2005); Gelaidan et al., (2017). Last but not least, results highlight a highly significant effect of innovation on entrepreneurial intentions.

In nutshell, risk propensity has the highest influence on entrepreneurial intentions followed by locus of control, need for achievement, and innovation. Analysis also revealed a profoundly low level of intentions among business students. It support the previous scholastic work in Pakistan that holds non-conducive entrepreneurial environment responsible for lack of low level of entrepreneurial intention. On broader canvas, findings of the study exhibit a pivotal role of psychological and experiential factors, in interaction with social environment and family background, in forming entrepreneurial intention. It is important to highlight that care should be taken while generalizing the findings of this study to all Pakistani undergraduates students as the data has only been collected from business schools of Karachi. This data may not be precisely representative of the all Pakistan. Despite this limitation, this study paves the way for those academics, practitioners and government officials interested to know what drives entrepreneurship in Pakistan. Study also offers policy directions to nature the entrepreneurial intentions among youth. It is of prime importance in country like Pakistan where entrepreneurship is the only viable option to deal with growing micro and macro-economic challenges.

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