

# Families' entrepreneurial background as a moderator between entrepreneurial intentions and its antecedents among undergraduate students in Ethiopia

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**Abstract** - This study investigates the effect of attitude towards entrepreneurship, subjective norms, and perceived behavioral control on entrepreneurial intentions and examines the moderating role of families' entrepreneurial background in this causal relationship. Explanatory research design with quantitative approach was used. Three hundred thirty-five undergraduate students from both public and private universities in Ethiopia filled and returned valid self-administrated questionnaire which was analyzed through independent sample t-test and process macro. The result obtained indicated that there was no significant mean difference in entrepreneurial intentions and its antecedents between students who have families' with an entrepreneurial background and not. Besides, the study found that families' entrepreneurial background has no moderating effect on entrepreneurial intentions due to attitude towards entrepreneurship, subjective norms, and perceived behavioral control. Hence, the study suggests no need of considering families' entrepreneurial background in nurturing entrepreneurship for undergraduate students in Ethiopian universities.

**Keywords:** Attitude towards entrepreneurship, Entrepreneurial intentions, Ethiopia, Families' entrepreneurial background, Perceived behavioral control, and Subjective norms

## I. INTRODUCTION

Entrepreneurship is considered a catalyst for economic development everywhere since it relates to creativity, innovation, risk-taking activities, non-routine decision making, and also it creates job opportunities for citizens [1]. Entrepreneurs are individuals or groups of individuals who participate in creating one's enterprise and operate own venture. Being an entrepreneur cannot happen overnight, it is a conscious planned intentional designed activity. Simply said, the engagement into entrepreneurial activities is preceded by having an entrepreneurial intention. Entrepreneurial intention is defined as the intention, plan, or aim of an individual or a group of individuals to start new business activities in the future [2]. It represents a mental orientation of individuals such as wish and hopes to influence an individual's choice of entrepreneurial career in his/her future endeavor since entrepreneurship is a planned and purposeful act. It is one of the rapidly growing subject areas within the broader field of entrepreneurship research conducted by many scholars currently [3]. According to [4] entrepreneurial intentions is studied by using the Theory of Planned Behavior (TPB) that is predicted by three socio-cognitive factors: attitudes towards entrepreneurship (ATE) that refers to the degree to which a person has a favorable

or unfavorable evaluation or appraisal of entrepreneurial career intentions; a subjective norms (SN) that is the acceptance among societies, families, and friends regarding one's career decision to running own business; and perceived behavioral control (PBC) that is the perception of an individual regarding one's capacity to become an entrepreneur. In this research, the TPB is used to predict the entrepreneurial intentions of undergraduate students since it could assist in the efforts to promote entrepreneurship development and to know how each factor influences the entrepreneurial intentions of students based on data obtained from undergraduate students of Ethiopia.

Besides, many studies pointed out that families background influence their children's career decisions. Families especially fathers and mothers influence the attitude, subjective norms, and perceived behavioral control of their children [5], [6]. That means families transfer what they have been doing to their children and children grew up knowing and being exposed to what their families engaged in and values. [7] said that exposure to the entrepreneurial environment in certain circumstances influences developing intentions of one's becoming an entrepreneur in the future. [8] found that children whose families have entrepreneurial background would like to become an entrepreneur at some

point of time in life since they have grown up with entrepreneurial exposure. Though many extant works of literature support the relationship between families' entrepreneurial background and students' entrepreneurial intentions, empirical research focused on investigating the moderating role of families' entrepreneurial background in the causal relationship between entrepreneurial intentions and its antecedents are scarce in the existing literature. In Ethiopia, though few kinds of research conducted on entrepreneurial intentions and its antecedents [9]-[12], there was no research done that examine the moderating role of families in the relationship between entrepreneurial intentions and its antecedents. Therefore, the main objective of the present study was to examine the role of families' entrepreneurial background as a moderator between entrepreneurial intentions and its antecedents among undergraduate regular university students in Ethiopia. In line with the objective of this study, basic research questions are requested: to what extent antecedents of entrepreneurial intentions affect entrepreneurial intention? And what is the moderating effect of families' entrepreneurial background in the causal relationship of entrepreneurial intentions and its antecedents (ATE, SN, and PBC)?

This article is consists of five main sections. Following the introduction discussed above (first section), the second section is the literature review. The third section presents the methodology used for the study. And then, results and discussions are under the fourth section. Finally, the fifth section deals with conclusions.

## II. REVIEW OF LITERATURE AND FRAME WORK OF THE RESEARCH

Ethiopia aspires to be a middle-income country by 2025 as the vision set by the government. As a result, the government of Ethiopia has been pursuing as one of its strategies measures to promote micro, small and medium enterprises (MSMEs) to spur the economy's growth and to increase youth employability. The main focus of the strategy would be the promotion of entrepreneurship and enhancing the number of nascent entrepreneurs in the country, but entrepreneurship didn't give emphasis on the national policies and strategies. This evidence, also confirmed by the Global Entrepreneurship Index of 2019 report that revealed score for Ethiopia was 17.2% and ranked 111th from 137 countries of the world in total entrepreneurial activities [13]. [14] stated that countries with higher entrepreneurial initiative indexes more likely indicate a greater reduction in unemployment rates but Ethiopia index result was very low. Thus, in Ethiopia considering entrepreneurs as a career option is the less preferred alternatives among highly trained/educated human resources (university graduates) [15]. The economic structure also shows that entrepreneurship is in the infant stage that requires prior and immediate actions of all stakeholders to make it more dynamic for the realization of

the Ethiopian renaissance in the new development [16]. According to [12] the Ethiopian rate of entrepreneurial intention (22%) early-stage entrepreneurial activity rate (12.2%) and established business activity rate (8.3%). These figures were below average as compared with both factors driven economies (49%) and Sub-Saharan African countries (53%). This indicates the entrepreneurial ecosystem is very low in Ethiopia. Thus, further investigation on entrepreneurship required to come up with a plausible policy on national level entrepreneurship promotion. Higher education institutions (HEIs) are basic to the future of manpower development in Ethiopia. In cognizant of this, the number of higher education institutions is increasing and reach about 50 public universities and five private universities and more than 200 university colleges, colleges, and institutes of both public and private. This results in a high number of graduates each year. As a result, nowadays a university degree doesn't guarantee employment opportunities and it is common to see for two or more year university graduates without a job in Ethiopia. Since the labor market can't accommodate the number of graduates, entrepreneurship is considered as a panacea to solve the acute unemployment problem in the country. Entrepreneurship is the most promising source of career for youth especially those undergraduates of HEIs [17]. Therefore, HEIs are expected to foster entrepreneurship and produce students with entrepreneurial intentions who could be chosen as being an entrepreneur as a career option after graduation. Hence, the present study deemed to examine the effect of antecedents of entrepreneurial intentions on entrepreneurial intentions and the moderating role of families' entrepreneurial background in this relationship.

### 1.1. Entrepreneurial Intentions

The intention is a state of mental status that develop an eagerness to conduct an action or actions related to certain behavior in the future. Psychologists have proven that intentions are the best predictors of any planned behavior [18]. Having intentionality of a certain action enhances its actualization. Intentionality is defined as a mental status that leads a person's attention toward the achievement of a specific object [19]. Thus, entrepreneurial intentions have also a psychological nature. Human being is a unique creature among other areas that make unique is their ability to think and judge phenomenon and also provide judgmental opinion by concessions and judicious thinking [20]. A person develops an intention to become an entrepreneur to be independent and improves their income. Various researchers have been defined intentions as a predictor of one's becoming an entrepreneur and approved that it is the most immediate antecedent of a given behavior. Entrepreneurial intention models are based on the premise that entrepreneurial behavior is intentionally planned [20], implying that it is critical to understanding the cognitive process and its drivers. Many previous studies

conducted to support that individuals' entrepreneurial intention is one of the more recent approaches to understand the entrepreneurial process and behavior [21]-[24]. That is why; it becomes a contemporary area of scientific research. Entrepreneurial intention is usually predicted based on the TPB. According to this theory, there are three socio-cognitive factors that affect entrepreneurial intentions. These are attitudes towards entrepreneurship, subjective norm, and perceived behavioral control. Each antecedent elaborated as follows:

#### **Attitude toward Entrepreneurship (ATE)**

The attitude towards a certain behavior/action is defined as the extent to which an individual evaluates a certain behavior or action useful or not. Attitude is one's favorable or unfavorable views of certain behavior [4]. According to [25], attitude shows the extent to which a personal opinion regarding starting an enterprise as a good or bad thing to do. [21] said attitude is the expectations and belief of someone regarding his/her impacts on the results of certain behavior. Thus, attitude toward entrepreneurship indicates the personal favorable or unfavorable evaluation of the intention to become an entrepreneur [26]. [17] are referred to as an attitude towards entrepreneurial behavior is an important construct that affects entrepreneurial intention either positively or negatively. [27] found that a higher positive attitude towards risk and independence leads to stronger entrepreneurial intentions. The results of the study conducted by [28] found that attitude towards entrepreneurial activities positively affect the intentions to create a new enterprise. Others such as [28], [30] witnessed that attitude has a positive relationship with entrepreneurial intention. If one has more favorable attitude towards entrepreneurial behavior, the higher the entrepreneurial intentions of an individual [18], [31]. Attitude toward entrepreneurship was the main antecedents of entrepreneurial intentions [32]. Therefore, it is important to study the attitudes of students to examine their entrepreneurial intentions in the context of Ethiopia.

#### **Subjective Norms (SN)**

Subjective norms also said social norms is defined as the degree by which close people accept or reject the idea and initiatives of an individual to be the future entrepreneur as a career option in his/her life [33]. Subjective norms demonstrate social factors that influence a person's actual behavior of carrying out certain activities [34]. The social norms are influenced by external variables, although individuals tend to plan their behavior, they still consider the appropriateness to the surrounding pressures such as families, friends, neighborhoods, classmates, and role models [35]. According to [36] social norms have a strong and consistent predictor of intentions. As indicated in different literature subjective norms (SN) is one of the predictors of entrepreneurial intentions. The subjective norms are an important independent construct that influences entrepreneurial intentions. Yet, it is worth

knowing that social norms may not be a sufficiently strong indicator of entrepreneurial intentions in individualistic societies [37]. The finding of [17] concludes that subjective norms positively related to entrepreneurial intentions. According to [38] results found that based on a Romanian sample and concluded that subjective norm is negatively related to entrepreneurial intentions. Such extant empirical evidence indicates that there are controversial findings on the effect of the social norm on entrepreneurial intentions of students'. Therefore, it needs further validation regarding its impact on entrepreneurial intentions.

#### **Perceived Behavioral Control (PBC)**

The perceived behavioral control is related to the self-efficacy concept which focuses on a person's perception towards a behavior simplicity and/or complexity. Perceived behavioral control referred to control people's beliefs towards various factors associated with the issues that could ease them or not [39]. According to [18] in the field of entrepreneurship, entrepreneurial self-efficacy has proved to be a remarkable predictor of entrepreneurial intention. Perceived behavioral control has an impact on intentions and actions since it deals with an individual's perception of the ease or difficulty of performing certain behavior and its actual role varies depending on situational factors [40]. [41] conducted research in Turkish found that self-efficacy has a positive and significant impact on entrepreneurial intentions.

### **1.2. Families Entrepreneurial Background**

As different scholars stated family background is the most widely recognized factor promoting entrepreneurship. Family background indicates a positive relationship between family models and the emergence of entrepreneurs and their children's entrepreneurial intentions. [42]-[46] have found that families' professional activities influence children's career decisions, as they often prefer to work in the same field as their parents. Having a family with an entrepreneurial background points towards a higher likelihood of being an entrepreneur [47] and also [42] found that up to 65 percent of entrepreneurs had one or more entrepreneurial parents. According to [48] families, who have created their enterprise, can influence their own children's intentions to carry on the family business or to develop new business in the future. [49] found that the children of self-employed families are more likely to have higher entrepreneurial intentions. Students whose families owned business enterprises had a greater sense of achievement, innovation, and personal control due to their interaction and working within the family business activities [50].

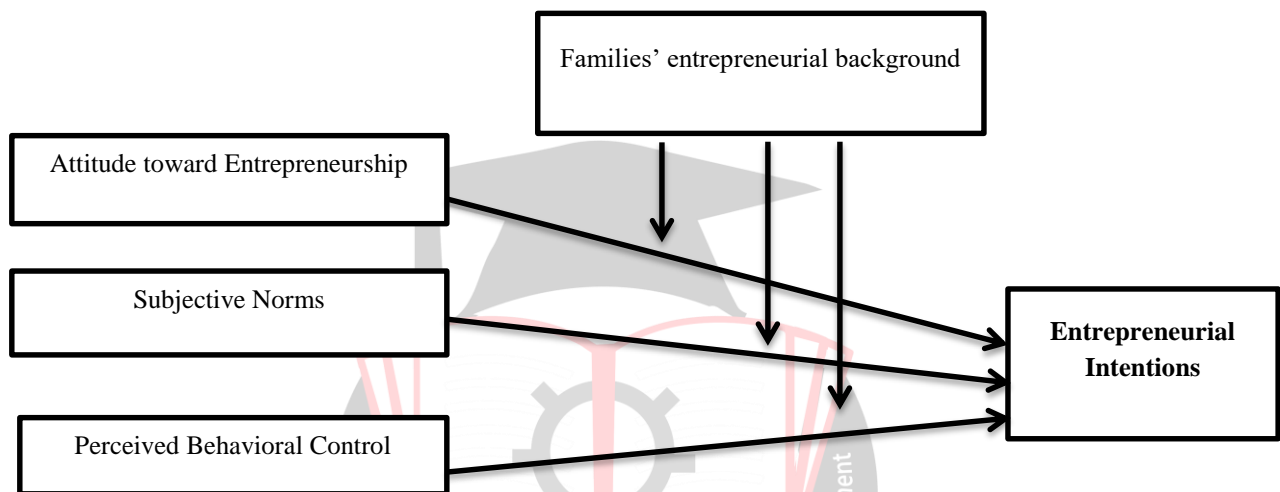
Having a family member or close relatives who have business enterprise increases the likelihood of self-employment because these individuals can be influenced by what their families are doing. The study was done on determinants of entrepreneurial intentions on students in Pakistan also confirmed that family background has



influenced the entrepreneurial intentions of students [51]. [52] found that children of self-employed parents are three times likely to become self-employed than children whose parents are not self-employed. A study by [53], [54] confirmed that young people who have parents with entrepreneurial backgrounds reported higher business startups as compared to those without entrepreneurial background. [55] stated that parental entrepreneurship increases the probability of children's becoming entrepreneurs by 60% based on data collected from Swedish target respondents. According to [56], contrary to

### 1.3. Conceptual Framework

Based on the TPB and some empirical review of literature the following conceptual framework was developed to guide the current study.



**Figure 1: Conceptual framework adopted from Ajzen (1991)**

**Source: Authors' Design**

The present study based on the Ajzen Theory of Planned Behavior seeks to examine the effect of attitude towards entrepreneurship, subjective norms, and perceived behavioral control on entrepreneurial intentions. Further, it investigates the moderating role of families' entrepreneurial background in the causal relationship between entrepreneurial intentions and its antecedents in Ethiopian HEIs.

## III. METHODOLOGY

### 1.4. Research Design and Approach

In this paper explanatory research design was used. It establishes causal relationships between variables and studying a situation or a problem to explain the relationships between independent and dependent variables [57]. According to [58], an explanatory research design is used to test the hypothesized relationship between two or more variables in a given situation. Hence, this design enables the researcher to examine the relationship between the dependent variable in this research which is the entrepreneurial intentions and independent variables that are attitude towards entrepreneurship, social norms, perceived behavioral control, were tested via explanatory

this, found that there was an inverse relationship between the family's entrepreneurial background and entrepreneurial intentions of children. Due to such controversial findings, the present study also tested whether families' entrepreneurial background brings a significant change in entrepreneurial intentions and its antecedents or not. Moreover, whether families' entrepreneurial background plays a moderating role or not in the relationship between entrepreneurial intentions and its antecedents (attitude towards entrepreneurship, subjective norms, and perceived behavioral control) is examined.

design. Besides, the moderating role of families' entrepreneurial background the causal relationship between entrepreneurial intentions and its antecedents (ATE, SN, and PBC) were examined. The research approach used was a quantitative approach based on cross-sectional survey of undergraduate students.

### 1.5. Sample

Undergraduate students from four universities; three public and one private university randomly selected using systematic random sampling techniques. Thereafter, 350 questionnaires were distributed but only 335 valid responses used for analysis after editing and coding. It is 95.7% response rate, which is more than enough for such analysis.

### 1.6. Instrument and Its Reliability and Validity

The items under each construct were adopted from the Entrepreneurial Intentions Questionnaire (EIQ) [2], [59]. Students were asked to indicate the overall entrepreneurial intentions and their antecedents (attitude towards entrepreneurship, subjective norms, and perceived behavioral control) using a seven point Likert scale (1=strongly disagree, 2=slightly disagree 3=disagree,

4=neutral, 5=agree, 6= slightly agree, and 7=strongly agree). Attitude towards entrepreneurship (ATE) has seven items with the Cronbach alpha coefficient ( $\alpha$ ) of 0.943, subjective norms (SN) have six items with  $\alpha=0.855$ , perceived behavioral control (PBC) has seven items with  $\alpha=0.928$ , and entrepreneurial intentions (EI) have seven items with  $\alpha=0.929$ . Regarding families' entrepreneurial background the students were asked 'From your family, is there anyone who has created his/her enterprise/being entrepreneur?' to respond in a dichotomous response as yes/no. The values obtained for the Cronbach alpha for all constructs indicate the existence of reliability among the items. Besides, face and content validity was checked with the experts in the field.

### 1.7. Data Analysis

The results were initially presented descriptively using mean and standard deviation to better understand about the respondents from whom the data were collected. An independent t-test was used to test whether families' entrepreneurial background brings a significant mean difference in entrepreneurial intentions and its antecedents. Then Linear regression using PROCESS Macro developed by Andrew F. Hynes [60] was used to determine whether families' entrepreneurial background moderate the relationship between entrepreneurial intentions and its antecedents.

**Table-1: Comparison of means of entrepreneurial intentions and its antecedents based on families' entrepreneurial background**

Variables	Mean		SD		t-value	P-value
	Yes	No	Yes	No		
Attitude towards Entrepreneurship (ATE)	4.81	4.86	1.46	1.67	0.288	0.774
Subjective norm (SN)	4.22	4.19	1.25	1.23	-0.155	0.877
Perceived behavioral control (PBC)	4.85	4.88	1.51	1.37	0.175	0.861
Entrepreneurial intentions (EIs)	4.94	5.03	1.54	1.37	0.505	0.614

Source: Survey Data, 2018

As it is shown in Table 1 above the mean difference between those who have families with an entrepreneurial background and not was statistically insignificant for attitude toward entrepreneurship, subjective norms, perceived behavioral control, and entrepreneurial intentions since the p-values were greater than 5% for all of the aforementioned constructs. From this, it is possible to conclude that there was no mean difference of attitude towards entrepreneurship, subjective norm, perceived behavioral control, and entrepreneurial intentions based on a families' entrepreneurial background in the case of Ethiopian higher education institutions. This finding is compatible with another study done in Ethiopia that found families' entrepreneurial background has no significant impact on students' entrepreneurial intentions [10]. [61] found that families' entrepreneurial background has no significant effect on entrepreneurial intentions of students. But this finding was contrary to [62] that found having a family with an entrepreneurial background is an important

## IV. RESULTS AND DISCUSSIONS

### 1.8. Demographic characteristics of respondents

Total respondents' consists of 213 (63.6%) males and 122 (36.4%) female students. Regarding the university category 183 (54.6%) was from public and the remaining 152 (45.4%) were from private universities. From the total respondents, only 76 (22.7%) replied that their families have an entrepreneurial background but the majority 259 (77.3%) responded that their families have no entrepreneurial background. From these, we can conclude that majority of the respondents were males, from public universities, and their families have no entrepreneurial background.

### 1.9. T-test for mean difference

In order to analyze if families' entrepreneurial background is affecting the entrepreneurial intention and its antecedents of university students, we conduct mean comparisons using independent t-test. We compared means of students who have families with entrepreneurial background and students who have no entrepreneurial background with regard to the four constructs (i.e. attitude toward entrepreneurship, subjective norm, perceived behavioral control, and entrepreneurial intentions). Accordingly, the result was depicted in table 1 below.

predictor of entrepreneurial intentions. [54] also found students who have families with entrepreneurial background have higher entrepreneurial intention and its antecedents with significant mean differences. The study conducted by Santa [7] in Ethiopia based on data from business undergraduate students found that there were significant mean differences of entrepreneurial intentions and its antecedents due to families' entrepreneurial background.

### 1.10. Moderating effect of Families' entrepreneurial background in the relationship between entrepreneurial intentions and its antecedents

The moderating variable is the variable that moderates the effects of a predictor variable on its outcome (response) variable. Usually, it is considered as a variable that interferes in the causal relationship between an independent variable and its corresponding dependent variable [63]. In the present study families' entrepreneurial background was

taken as the moderating variable in the causal relationship between entrepreneurial intentions and its antecedents (i.e. attitude towards entrepreneurship, subjective norms, and perceived behavioral control).

### Attitude toward Entrepreneurship (ATE)

Attitude is defined as one's favorable or unfavorable views of a certain behavior. According to [25], attitude toward entrepreneurship means the extent to which students view starting an enterprise as either favorable or unfavorable activities. Hence, here under we have examined the role of families' entrepreneurial background (FEntrB) as a moderating variable between attitude toward entrepreneurship (ATE) and entrepreneurial intentions (EI) of undergraduate students of Ethiopian higher education institutions.

**Table-2: Families' entrepreneurial background as a moderating variable between attitude towards entrepreneurship and entrepreneurial intentions**

OUTCOME VARIABLE

EI

Model Summary

R	R-sq	MSE	F	df1	df2	p
.5114	.2615	1.4733	39.0751	3.0000	331.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.9973	.2634	11.3780	.0000	2.4791	3.5155
ATE	.4183	.0519	8.0633	.0000	.3163	.5204
FEntrB	-.9632	.5016	-1.9203	.0557	-1.9498	.0235
Int_1	.1860	.0987	1.8849	.0603	-.0081	.3800

Product terms key:

Int\_1 : ATE x FEntrB

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0079	3.5530	1.0000	331.0000	.0603

### Source: Authors' Survey, 2018

As it is indicated in Table 2, the overall model summary shows  $r^2$  of 0.2615 with a P-value of less than 0.000 that has confirmed the model was fit. Attitude towards entrepreneurship has a positive and significant effect on entrepreneurial intentions of students with  $\beta=0.4183$ , P-value < 0.000. This result was compatible with extant empirical evidences. For instance [28], [30] witnessed that attitude has a positive relationship with entrepreneurial intention. If one has more favorable attitude towards entrepreneurial behavior, the higher the entrepreneurial intentions of an individual has been usually seen [18], [31]. Attitude toward entrepreneurship was the main antecedents of entrepreneurial intentions [32].

But families' entrepreneurial background has a negative effect with  $\beta=-0.9632$ , P-value =0.0557 but this effect has no statistical significance effect since the P-value is greater than 0.05. Families' entrepreneurial background has also

no moderating role in the causal relationship of attitude toward entrepreneurship and entrepreneurial intentions since the interaction effect (Int\_1) results in the P-value of 0.0603 which is greater than 0.05. From this, we can conclude that albeit attitude towards entrepreneurship positively and significantly affect entrepreneurial intentions of students, families' entrepreneurial background has no moderating role in the causal relationship between attitude towards entrepreneurship and entrepreneurial intentions.

### Subjective Norm (SN)

Subjective norms demonstrate social factors such as friends, families, classmates, and communities that can influence an individual's decision to becoming an entrepreneur after graduation. In developing countries like Ethiopia, where being an employee after university education is common, the effect of social norms on decision to become an entrepreneur is expected. Hence, SN has been measured with six different items to understand the extent of those social factors influence as per students' opinion on their decision of becoming an entrepreneur. In

**Table-3: Families' entrepreneurial background as a moderating variable between subjective norm and entrepreneurial intentions**

OUTCOME VARIABLE:

EI

Model Summary

R	R-sq	MSE	F	df1	df2	p
.4720	.2228	1.5507	31.6244	3.0000	331.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.8834	.2763	10.4377	.0000	2.3400	3.4269
SN	.5118	.0632	8.1040	.0000	.3876	.6361
FEntrB	-.5554	.5770	-.9625	.3365	-1.6905	.5797
Int_1	.1065	.1313	.8116	.4176	-.1517	.3648

Product terms key:

Int\_1 : SN x FEntrB

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0015	.6587	1.0000	331.0000	.4176

### Source: Authors' Survey, 2018

The overall model shown in Table 3 is fit with F-value (3, 331) =31.6244, P<0.000. 22.28% of the variance in the outcome variable (entrepreneurial intentions) is explained by the predictor subjective norm. Subjective norm has a positive and significant effect on the entrepreneurial intention of students with  $\beta=0.5118$ , P-value <0.000. Families' entrepreneurial background has a negative effect on entrepreneurial intentions with  $\beta=-0.5554$ , which is statistically insignificant since the P-value=0.3365 that is greater than 0.05. Families' entrepreneurial background has also no moderating role in the causal relationship between subjective norms and entrepreneurial intentions since the

interaction effect (Int\_1) results in the P-value of 0.4176 which is greater than 0.05. From this, we can conclude that albeit subjective norm affects entrepreneurial intentions of students, families' entrepreneurial background has no moderating role in the causal relationship between subjective norm and entrepreneurial intentions.

### Perceived Behavioral Control (PBC)

Perceived behavioral control refers to individuals' self-evaluation regarding their ability to perform a certain behavior. In this study, it assesses whether undergraduates students develop the perception of self-capacity of performing entrepreneurial activities in their future career. This is taken as self-efficacy of students to be a nascent entrepreneur after their graduation. Based on the results obtained from students of higher education institutions herewith we tested the effect of PBC on EIs and the moderating role of families' entrepreneurial background in the causal relationship between PBC and EIs.

**Table-4: Families' entrepreneurial background as a moderating variable between Perceived behavioral control and entrepreneurial intentions**

OUTCOME VARIABLE:

EI

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6087	.3705	1.2560	64.9278	3.0000	331.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.0012	.2580	7.7577	.0000	1.4937	2.5086
PBC	.6212	.0509	12.2046	.0000	.5211	.7213
FEntrB	.1440	.5050	.2851	.7757	-.8494	1.1373
Int_1	-.0447	.0995	-.4493	.6535	-.2405	.1511

Product terms key:

Int\_1 : PBC x FEntrB

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0004	.2018	1.0000	331.0000	.6535

**Source: Authors' Survey, 2018**

As it is indicated in Table 4 above the overall model summary shows  $r^2$  of 0.3705 with a P-value of less than 0.000 which means 37.05% of the variance in entrepreneurial intention is explained by perceived behavioral control. The model was also fitted with F (3, 331)=64.9278 with a p-value of less than 5%. Perceived behavioral control has a significant positive effect on the entrepreneurial intentions of students with  $\beta=0.6212$ , P-value < 0.000. And family entrepreneurial background has a positive effect with  $\beta=-0.1440$ , P-value=0.7757 which means this effect has no statistical significance since the P-value is greater than 0.05. Families' entrepreneurial background has also no moderating role in the causal relationship of perceived behavioral control and entrepreneurial intentions since the interaction effect

(Int\_1) results in the P-value of 0.6535 which is greater than 0.05. From this, we can conclude that albeit perceived behavioral control affect the entrepreneurial intentions of students, families' entrepreneurial background has no moderating role in the causal relationship between perceived behavioral control and entrepreneurial intentions.

## V. CONCLUSIONS

The main focus of this study was to investigate into the role of having families' entrepreneurial background as a moderator in the causal relationship between entrepreneurial intentions and its antecedents. For this purpose, 335 valid questionnaires were obtained through cross-sectional survey of undergraduate university students in Ethiopia. Based on the data obtained, the antecedents of entrepreneurial intentions; perceived behavioral control ( $\beta=0.6212$ ,  $p<0.000$ ) followed by subjective norm ( $\beta=0.5118$ ,  $p<0.000$ ), and the attitude towards entrepreneurship ( $\beta=0.4183$ ,  $p<0.000$ ) were positively and significantly affect entrepreneurial intentions of undergraduate students in Ethiopian universities. Hence, it confirms the application of theory of planned behavior within Ethiopian context.

The independent t-test result indicated there was no significant mean difference of entrepreneurial intentions and its antecedents between students who have families' with entrepreneurial background and have not families' with entrepreneurial background. The regression results also indicated that families' entrepreneurial background has no significant effect on entrepreneurial intentions and its antecedents. Finally, the results of interaction effect (moderation) confirmed that families' entrepreneurial background has no moderating role in the causal relationship between attitude and entrepreneurial intentions, subjective norms and entrepreneurial intentions, and perceived behavioral control and entrepreneurial intentions. Hence, it can be concluded that families' entrepreneurial background has no moderating role in the relationship between entrepreneurial intentions and its antecedents.

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