

DETERMINANTS OF ENTREPRENEURIAL INTENTION AMONG YOUTHS IN NORTH CENTRAL NIGERIA.

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Abstract

This study examined the determinants of entrepreneurial intention among youths in North Central Nigeria. The study adopted the descriptive research design using the survey method of which questionnaires were administered to a sample of (349) youths in North Central, Nigeria. The responses were analyzed using smart PLS. It was found that family support has positive and significant effect on entrepreneurial intention while peer group revealed a negative and significant effect on entrepreneurial intention. The study thus recommended that policymakers and educators should design programs that engage families in entrepreneurship education, helping them understand how their support can positively influence entrepreneurial aspirations. When families understand their potential impact, they are more likely to become active supporters of entrepreneurial pursuits. And finally, institutions should promote peer mentorship programs, where students or youth with entrepreneurial experience and success act as role models to their peers in order to transform peer influence from a limiting factor to a driving force.

Keywords: *Entrepreneurial intention, peer group and family support.*

INTRODUCTION

Entrepreneurial intentions is an individual's conscious plan or commitment to start a new business constitute the proximal psychological antecedent that links personal dispositions and contextual enablers to actual entrepreneurial behaviour (i.e., firm creation and early venture activities (Chagi, 2025). Empirical research in Nigeria by (Abah & Abah, 2023) shows that intentions are strongly shaped by cognitive and social factors such as attitudes toward entrepreneurship, perceived behavioural control or self-efficacy, and subjective norms (family and peer expectations), which together increase the probability that a motivated youth will translate an idea into a start-up.

Several factors have been identified as influencing entrepreneurial intentions, including personal traits, socio-cultural influences, access to resources, and institutional support (Nowiński et al., 2020). For instance, the need for achievement, risk-taking propensity, self-efficacy and locus of control have been linked to higher entrepreneurial motivation among youths (Altinay et al., 2022). Similarly, external support systems such as family encouragement, peer influence, and market accessibility have been shown to play crucial roles in shaping entrepreneurial intentions (Fatoki, 2019).

Entrepreneurship fosters the innovation and technology progress as well as employment generation, and contributes to the establishment of new market opportunities, which stimulate the growth of economies and national wealth. In recent years, many governments in both developed and developing countries have focused policies to facilitate the entrepreneurship in general population, particularly among youths (Sharma & Madan, 2014; Majid et al, 2012). Youth entrepreneurship has been a major concern because it is an important strategy to address the graduate's employability in each country. Previous literature indicated that entrepreneurship was concerned as a common career choice in youths worldwide (Almer-Jarz, & Breitenacker, 2019).

The issue of entrepreneurial intention among Nigerian youths has attracted growing attention in recent years, emerging as a significant concern for policymakers, educators, and development practitioners. Despite various initiatives by both governmental and non-governmental organizations aimed at promoting entrepreneurship, actual entrepreneurial engagement among youths remains low. Many young individuals are unable to transition from intention to action, resulting in minimal business start-up activities. Consequently, the impact of entrepreneurship promotion efforts appears negligible, as the presence of entrepreneurship initiatives has not translated into a meaningful difference in youth entrepreneurial participation.

The objective of the study is to examine the determinants of entrepreneurial intention among youths in North Central Nigeria. while the objectives are to:

- i. examine the effect of peer group on entrepreneurial intention among youths in North Central Nigeria.
- ii. ascertain the effect of family support on entrepreneurial intention among youths in North Central Nigeria.

The research has the following null hypotheses tested:

H₀₁: Peer group has no significant effect on entrepreneurial intention among youths in North Central Nigeria.

H₀₂: Family support has no significant effect on entrepreneurial intention among youths in North Central Nigeria.

LITERATURE REVIEW

Entrepreneurial Intention

Drnovsek, et al. (2021) defined entrepreneurial intention as a mental orientation such as strong desire, dreams, and hope to influence their choice of entrepreneurial activities. In general, 'interest' can be interpreted as a relatively sedentary tendency for a person to feel attracted to a particular field and to feel happy engaging in various activities related to that field; thus, the individuals who are interested in becoming entrepreneurs are generally interested and tend to be happy with their entrepreneurial profession. Individuals who are interested in becoming entrepreneurs cognitively have sufficient understanding of the benefits, challenges and risks to be faced, feel good about their choices (affective), and will act (conative) as he believed.

Ananda and Djatmika (2020) described entrepreneurial intention as the degree of commitment directed towards the performance of the entrepreneurial endeavour of putting up a business for self-employment. Hence, to understand why individuals pursue business ownership, it is critical to understand the nature as well as precursors of the intention of putting up such business venture.

Peer Pressure

Nguyen et al. (2023) refers to peer pressure as the influence exerted by a peer group on its individual members to conform to the group's norms, values, attitudes, or behaviors. This phenomenon can manifest in various forms, ranging from subtle suggestions to overt coercion. Peer pressure often arises from the desire to fit in, gain acceptance, or avoid rejection within a social group, and can significantly impact an individual's decisions and actions. While peer pressure is commonly associated with adolescence, when individuals are particularly susceptible to social influences, it can affect people of all ages. The influence can be positive, encouraging beneficial behaviors such as academic achievement, healthy lifestyle choices, or community involvement. Conversely, negative peer pressure can lead to harmful behaviors like substance abuse, delinquency, or risky activities.

Taylor and Harris (2023) stated that peer pressure involves the desire to conform to the norms, values, and behaviors of one's peers in order to be accepted and maintain social status within the group. This pressure can manifest in various ways, from subtle social cues and unspoken expectations to explicit demands and coercion. For example, a teenager may feel compelled to dress a certain way, listen to particular music, or engage in risky activities like underage drinking or drug use, simply because their friends are doing so. The fear of being ostracized, ridiculed, or excluded from the peer group can be a strong motivator for an individual to abandon their own preferences and beliefs in favor of conforming to the group's norms.

Family Support

Aldrich and Cliff (2023) opined that family support is the assistance, care, and encouragement provided by family members to one another. This support can manifest in various forms, including emotional, financial, practical, and social assistance. It is often essential for the well-being and development of

individuals within the family unit. Here are the key aspects of family support. Family support is the provision of assistance, care, and encouragement among family members. It encompasses various dimensions, including emotional, financial, practical, and social support. Emotional support involves offering love, understanding, empathy, and encouragement to help family members navigate stress and emotional difficulties.

Annisa et al., (2021) refers to family support as informal assistance for a family member or the provision of care to support a family member, which involves activities that strengthen informal social links. Invariably, high levels of family support favor conditions for effective resource coordination ensuring that assets derived from the combination of family and non-family members are employed to sustain innovation and trans-generational wealth creation as a unifying family business goal.

Peer Pressure and Entrepreneurial Intentions

Kim and Choi (2024) examined changes in entrepreneurial intention over time, influenced by peer pressure. A longitudinal study design was employed. Data was collected from 400 high school students at two points in time, one year apart. A combination of questionnaires and peer evaluations was used. The Growth curve modeling was utilized to analyze the longitudinal data. The study revealed that sustained positive peer influence over time significantly boosts entrepreneurial intentions. Conversely, inconsistent peer influence showed no significant impact. The study recommends that consistent and ongoing support from peers is crucial. Entrepreneurship education programs should aim to build long-term peer support networks. The longitudinal design provides valuable insights into the temporal dynamics of peer influence, but the study could benefit from a longer follow-up period to capture long-term effects.

Faloye and Oyekanmi (2023) investigated the role of peer pressure in shaping entrepreneurial intentions among youths. The adopted a mixed-method approach, combining quantitative surveys with qualitative interviews. The quantitative data was collected through a structured questionnaire from 300 secondary school students, while qualitative data was gathered via in-depth interviews with 20 students. Quantitative data was analyzed using multiple regression analysis, and thematic analysis was employed for the qualitative data. The results indicated that both positive and negative peer pressures significantly influence entrepreneurial intentions. The study recommends that schools should create environments that promote positive peer interactions. Extracurricular activities that focus on entrepreneurship could be effective in channeling peer influence positively. The study provides a comprehensive view by incorporating qualitative insights, but the sample size for the qualitative part is relatively small, potentially limiting the depth of insights.

Family Support and Entrepreneurial Intentions

Johnson and Brown (2023) investigated the influence of family on youth entrepreneurship: Evidence from the United States. The study used a qualitative case study approach. Data were collected through interviews with 50 young entrepreneurs across different states in the U.S. Thematic analysis was employed to analyze the data. The study revealed that family support, especially in the form of early exposure to business activities and role modeling by entrepreneurial parents, was pivotal in shaping entrepreneurial intentions. The study recommended that entrepreneurial families should involve children in business activities from a young age to foster an entrepreneurial mindset. The qualitative approach provides in-depth insights but lacks the generalizability of quantitative studies.

Wang and Zhang (2021) examined the influence of family support on youth entrepreneurial intention. The study employed a quantitative research design using a survey method. Data were collected from 500 university students in China through structured questionnaires and were analyzed using Structural Equation Modeling (SEM). The study found that emotional and financial support from family positively influenced the entrepreneurial intentions of youths. The study recommended that families actively provide emotional and financial support to nurture entrepreneurial intentions among youths. The study

provides valuable insights; it is limited by its geographical focus on China, which may affect the generalizability of the findings to other cultural contexts.

Psychological Theory of Entrepreneurship

Trait theorists believe personality can be understood via the approach that all people have certain traits or characteristic ways of behaving (Allport & Odbert, 1936). The level of analysis in psychological theories is the individual (Landstrom, 1998). These theories emphasize the personal characteristics that define entrepreneurship. Personality traits, need for achievement and locus of control are reviewed and empirical evidence is presented for three other new characteristics that are associated with entrepreneurial inclination. These are risk-taking, innovativeness, and tolerance for ambiguity. Coon (2004) defines personality traits as stable qualities that a person shows in most situations.

To the trait theorists, there are enduring inborn qualities or potentials of the individual that naturally make him/her an entrepreneur (Kwabena, 2011). This theory gives some insight into these traits or inborn qualities by identifying the physiognomies associated with the entrepreneur. The physiognomies give us a clue or an understanding of these traits or inborn potentials. In fact, explaining personality traits means making inference from behaviour. Some of the physiognomies or behaviours associated with entrepreneurs are that they tend to be more opportunity driven (they nose around), demonstrate high level of creativity and innovation, and show a high level of management skills and business know-how (Kwabena, 2011). They have also been found to be optimistic, (they see the cup as half full rather than as half empty), emotionally resilient and have mental energy. They are hard workers and show intense commitment and perseverance. They also thrive on the competitive desire to excel and win, tend to be dissatisfied with the status quo and desire improvement. Entrepreneurs are also transformational in nature, are lifelong learners and use failure as a tool and springboard (Kwabena, 2011; Kuratko, & Hodgetts, 2001). They also believe that they can personally make a difference, are individuals of integrity and above all, visionary.

METHODOLOGY

The study adopted survey research design employing the use of primary data. The population of the study consist of the youths in North Central, Nigerian. The criterion for selecting participants in the study is that they must be youths who have attended a tertiary institution and demonstrate an interest in starting a business. Considering the fact that the exact number of the youths in North Central cannot be ascertained, the study population is therefore infinite. So, Cochran formula was adopted to determine the sample size of 349 youths. The study used purposive and convenience sampling techniques and the procedure involves selecting participants based on their availability and willingness to participate to enable the collection of data. Data were collected electronically using 5-point Likert scale structured questionnaire. Data collected were coded and analyzed using smart PLS-SEM.

The test of reliability and validity was conducted to ensure that the constructs accurately represented in the study using Partial Least Squares Structural Equation Modeling (PLS-SEM). This is typically assessed using Cronbach's Alpha, Composite Reliability (CR), and rho_A, with threshold values generally above 0.70 indicating acceptable reliability (Hair et al., 2021). Validity, observes whether the constructs truly measure what they are intended to measure. Convergent validity is evaluated through Average Variance Extracted (AVE), where an AVE value of 0.50 or higher confirms that the indicators share sufficient variance.

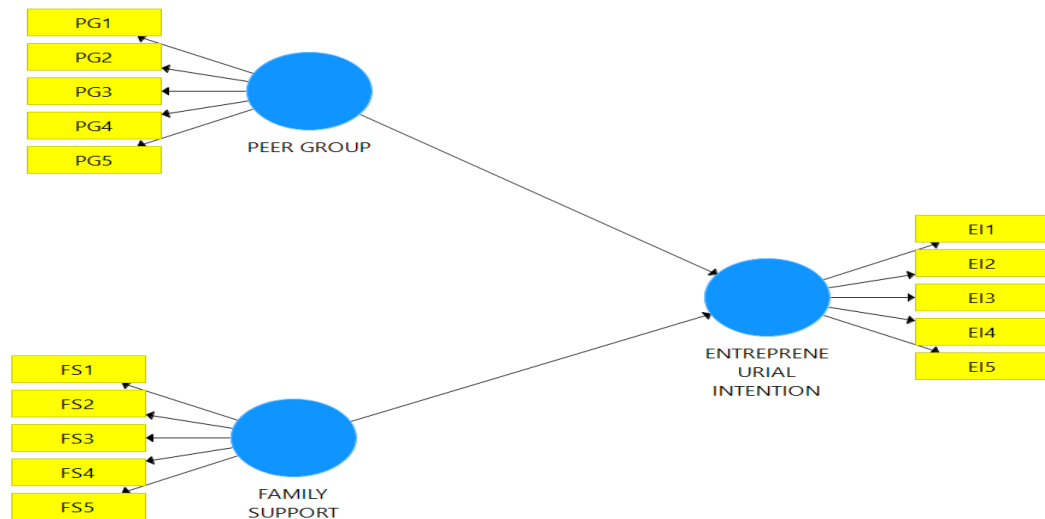


Figure 1: Study Model

RESULTS AND DISCUSSION

Table 1.1: Reliability of study scale

S/N	Variables		Factor Loadings	Cronbach Alpha	Composite Reliability	Rho A	Average Variance Extracted (AVE)	No of Items
1	Peer Group (PG)	PG3 PG4 PG5	0.843 0.862 0.873	0.827	0.894	0.858	0.595	3
2	Family Support (FS)	FS1 FS3 FS4 FS5	0.724 0.794 0.806 0.786	0.786	0.860	0.802	0.606	4
3	Entrepreneurial Intention (EI)	EI1 EI2 EI3	0.859 0.874 0.819	0.810	0.887	0.816	0.724	3

Source: Smart PLS Output, 2025

Composite reliability of Jöreskog's (1971) was applied to test for internal consistency of the items. All the values fall within the Hair, et al., (2019) rating of good consistency. The Cronbach alpha value was above 0.60 which is the minimum threshold as recommended by Sekaran (2010). To test for the convergent validity, the average variance extracted (AVE) was used. All the latent variables showed values greater than 0.50 which indicates that the constructs explain at least 50 percent of the variance of its items. According to Henseler et al., (2015) the Fornell-Larcker criterion does not perform well when explaining discriminant validity, particularly when the indicator loadings on a construct differ only slightly. As a replacement, they proposed the Heterotrait-Monotrait (HTMT) ratio of the correlations which is the mean value of the item correlations across constructs relative to the (geometric) mean of the average correlations for the items measuring the same construct (Voorhees et al., 2016). Discriminant validity problems are present when HTMT values are higher than 0.90 for structural models (Henseler, et al., 2015).

Table 2 Heterotrait-Monotrait Ratio (HTMT)

	FAMILY SUPPORT	PERR GROUP	ENTREPRENEURILA INTENTION
FAMILY SUPPORT			
PEER GROUP	0.859		
ENTREPRENEURILA INTENTION	0.765	0.565	

Source: Smart PLS Output, 2025

Model Goodness of Fit (GoF)

Sequel to the need to validate the PLS model, there is a need to assess the goodness of fit of the model as Hair, et al. (2017) suggested. This study used the standardised root mean square residual's (SRMR). The choice of this index was based on the fact that the SRMR provides the absolute fit measure where a value of zero indicates a perfect fit. The study adopted Hu & Bentler (1998) suggestion that a value of less than 0.08 represents a good fit while applying SRMR for model goodness of fit. The study result indicates an SRMR value of 0.01. This indicates the model is fit.

Assessing the Structural Model

Having satisfied the measurement model assessment, the next step in evaluating PLS-SEM results is to assess the structural model. Standard assessment criteria, which was considered include the path coefficient, t-values, p-values and coefficient of determination (R^2). The bootstrapping procedure was conducted using a resample of 5000.

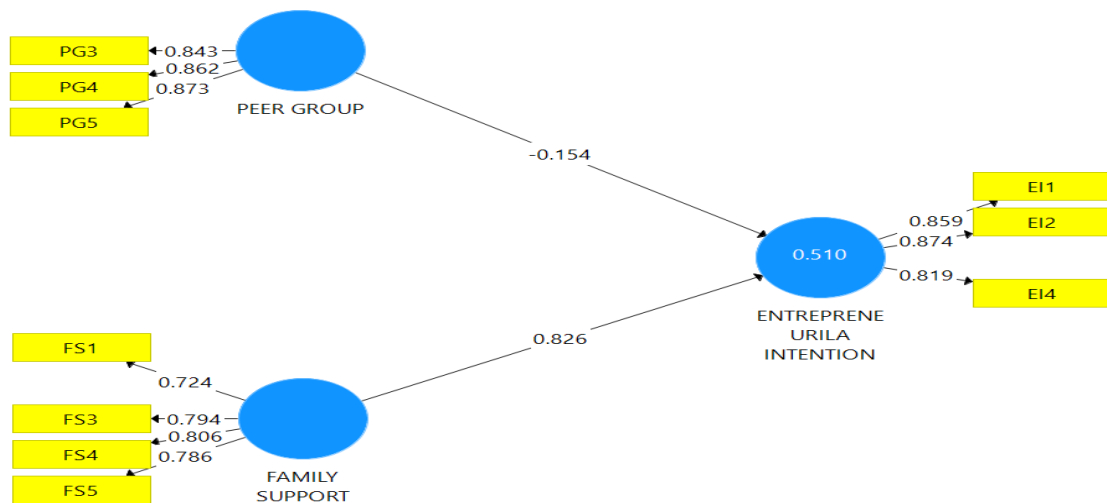


Fig. 3: Path Coefficients of the Regression Model

The R-square value stood at 510% indicating that entrepreneurial intention represented by peer group and family support are responsible for 51% variation in entrepreneurial intention. The remaining 49% variation could be explained by other factors not included in the study. Based on Hair, et al., (2019), the r-square is considered suitable and lends credence to the findings of the study. The result of the path analysis is presented in the table below.

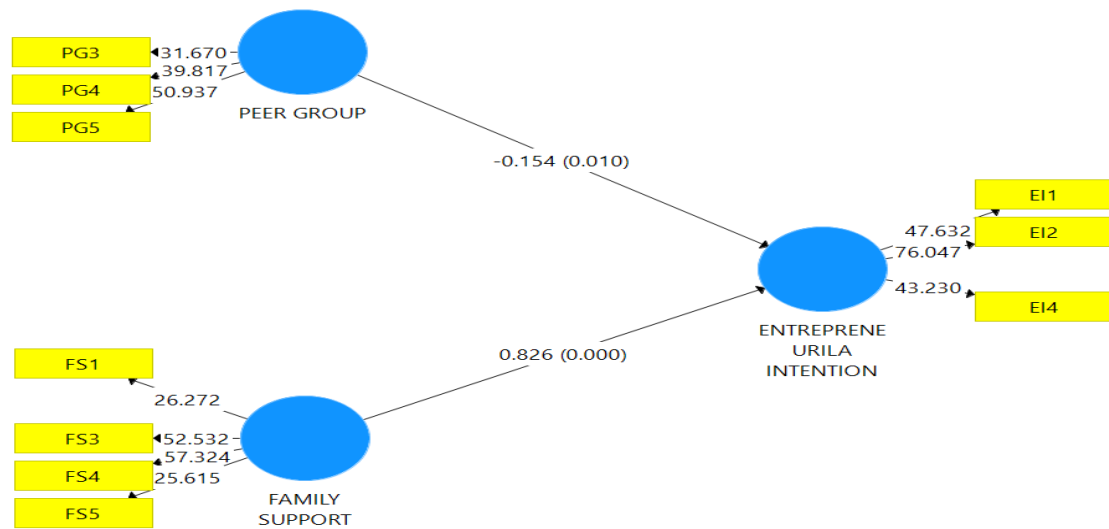


Table 3.1: Path Coefficients

Hypothesis	Variable	Path Coefficient ***(Beta)	t-value	p-value	Findings
H ₀₁	Peer Group	-0.154	13.035	0.000	Rejected
H ₀₂	Family Support	0.826	2.570	0.010	Rejected

Source: Smart PLS Output, 2025

Discussion of Findings.

Peer Group and Entrepreneurial Intention

Peer group has a negative path coefficient of -0.154, with a standard deviation of 0.060 and a t-statistic of 13.035. The p-value of 0.000 indicates that this relationship is also statistically significant, though the effect size is weaker compared to family support. This suggests that peer influence may discourage entrepreneurial intention. This could be interpreted in several ways: perhaps the prevailing attitude among peers is risk-averse, or peers may encourage more conventional career paths over entrepreneurship. This finding is consistent with some literature that suggests that negative peer pressure or lack of entrepreneurial role models among peers can suppress entrepreneurial ambitions (Adeola et al., 2022).

Family Support and Entrepreneurial Intention

Lastly, the path coefficient for family support is 0.826, with a standard deviation of 0.063 and a t-statistic of 2.570. The associated p-value is 0.010, which is well below the conventional significance threshold of 0.05. This indicates a strong and statistically significant positive relationship between family support and entrepreneurial intention. This is an implication that individuals who receive strong encouragement and backing from their families are significantly more likely to develop intentions to become entrepreneurs. This aligns with previous studies that highlight the role of family as a crucial support system in the entrepreneurial journey (Nguyen et al., 2021; Amofah & Salami, 2023).

CONCLUSION AND RECOMMENDATIONS

Based on the findings above, the study concludes that peer group and family support are key motivators for entrepreneurial intention in North Central, Nigeria. Therefore, the study recommended that policymakers and educators should design programs that engage families in entrepreneurship education, helping them understand how their support can positively influence entrepreneurial aspirations. When

families understand their potential impact, they are more likely to become active supporters of entrepreneurial pursuits. And finally, institutions should promote peer mentorship programs, where students or youth with entrepreneurial experience and success act as role models to their peers in order to transform peer influence from a limiting factor to a driving force.

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Questionnaire

Key: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree

S/N	Family Support	SA	A	U	D	SD
1	If I decided to be an entrepreneur, my family members will support me					
2	If I decide to be an entrepreneur, my close network (from work, school, and neighborhood) will support me					
3	If I decide to be an entrepreneur, my friends on the Social Networks will support me					
4	In times of crisis, my family, friends, and colleagues will support me.					
5	My friends will help me start a business if I decide to become an entrepreneur.					
	Peer Group					
6	My peers encourage me to engage in activities I would not normally do.					
7	My peer group helps me cope with stress and challenges.					
8	I feel comfortable sharing my thoughts and opinions with my peer group.					
10	My peer group positively influences my decision-making.					
	I sometimes do things to fit in with my peer group, even if I disagree.					
	Entrepreneurial Intention					
11	My professional goal is to become an entrepreneur.					
12	I will make every effort to start and run my own business.					
13	I am determined to establish business in the future.					
14	Having a business of my own make me financially well-off					
15	Being an entrepreneur would make me great.					