

**MODERATING ROLE OF NEED FOR ACHIEVEMENT ON THE RELATIONSHIP
BETWEEN SUBJECTIVE NORMS AND ENTREPRENEURIAL INTENTION**

Hauwa'u Sani

Department of Business Administration,
College of Business and Management Studies, Kaduna Polytechnic

Helen Afang Andow

Department of Business Administration, Faculty of Management Science
Kaduna State University

Yushau Ibrahim Ango

Department of Business Administration, Faculty of Management Science
Kaduna State University

Rahilatu Ahmad Muhammad

Department of Business Administration, Faculty of Management Science
Kaduna State University

ABSTRACT

This paper aims to highlight the relationship between subjective norms and entrepreneurial intention, while considering the moderating role of need for achievement. The study employed cross sectional survey design. Primary source was used to collect data from the sample of 367 final year students of Usman Danfodio University, Sokoto through self-administered questionnaire particularly using simple random sampling technique. The data collected were analyzed using Partial Least Square Structural Equation Modeling (PLS-SEM) with the aid of SmartPLS 4. The finding revealed a positive but insignificant relationship between subjective norms and entrepreneurial intention. Furthermore, a significant moderation was found between subjective norms and need for achievement as they affect entrepreneurial intention. It is concluded that subjective norms and need for achievement are important predictors of entrepreneurial intention. Therefore, the study recommends that while subjective norms may have a slight positive influence on entrepreneurial intention, their impact is not strong enough to be considered statistically significant. This suggests that other factors may play a more substantial role in influencing entrepreneurial intention.

Keyword: Subjective Norms, Need for Achievement and Entrepreneurial Intention

1. INTRODUCTION

Entrepreneurship is the primary driver of job creation, innovation, technological progress, economic growth and development worldwide (Berman, CanoKollman & Mudambi 2022; Aleksic & Merkač-Skok 2018). Therefore, entrepreneurial Intention plays a vital role in a person's decision to start an entrepreneurial activity (Liguori, Winkler, Vanevenhoven, Winkel & James, 2020; Barba-Sánchez & Atienza-Sahuquillo 2018). According to Thompson (2009), entrepreneurial intention refers to 'a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future.

Similarly, different countries nowadays benefited from the role of entrepreneurship including Nigeria which introduced entrepreneurship education in the tertiary institution curriculum by specifically established Entrepreneurship Development Centre (EDC) in all tertiary institution in Nigeria in the year 2012 in order to assist student to create employment, and develop business mindset during school days and after graduation. (Chukwuma-Nwuba, 2019). In addition, Tertiary Institution Entrepreneurship Scheme (TIES) were established in 2022 in order to promote entrepreneurship among Nigerian graduates (Omeje, Jidefor & Ugwu, 2020).

Despite the above effort, the global entrepreneurship monitor (GEM) report (2022) ranked Nigeria seventh with 46% entrepreneurial intention level when compared to nations like Uganda, Botswana, and Angola, which each have intention levels around 70%. This signifies the low intention level among Nigerian student and graduates. Empirical studies identified some issues including lack of subjective norms which affect the entrepreneurial intention of Nigerian students and graduates (Gujrati, Lawan, Jain & Tyagi, 2019). In addition. There are limited studies if any that extend the theory of planned behaviour (TPB) (Ajzen, 1991) by using need for achievement to interact with the dimension of TPB including subjective norms to predict entrepreneurial intention. This serve as a huge hap to be address in this study which aimed to investigates the moderating role of need for achievement on the relationship between subjective norms and entrepreneurial intention.

Precisely, the study considered undergraduate students of Usman Danfodio University, Sokoto (UDUS) based on the fact that its among the first oldest university in Nigeria. Again, it has been established that there is dearth of research on entrepreneurial intention among undergraduate students of Usman Danfodio University, Sokoto. This served as the basis for limiting the scope of the study to undergraduate students of Usman Danfodio University, Sokoto (Bandi, 2015).

2. LITERATURE REVIEW

This section discussed the conceptual, empirical and theoretical literature on entrepreneurial intention, subjective norms and need for achievement.

Entrepreneurial Intention

Intention is a predictor of individuals action (Ajzen, 1991). Intention catches motivational factors which stimulate individuals' behaviour, showing the individuals effort in planning to convert his/her behaviour into action/practice (Linan & Santos, 2007). Therefore, several definitions of entrepreneurial intention have been discussed in the literature. For example, Ward, Hernández-Sanchez and Sanchez-Garcia (2019) defined entrepreneurial intention as the intent to formulate a new business as well as select an alternate career to common employment. Entrepreneurial intention is also defined as the self-acknowledged conviction of individual mind in the possibility of starting up a new business with a sincere and dedicated plan at a certain point of time (Thompson, 2009).

Subjective Norms

Subjective norms also known as social norm is derived from individual beliefs that a person's parents, spouse, family, closest friends, colleagues and experts on the behaviour of interest, which approve or disapprove the behaviour (Ajzen & Fishbein, 1973). Bandura (1991) argued that behaviours are regulated by people's anticipations, intentions and self-evaluations, which are largely formed by social observation and approval. In addition, Cialdini and Trost (1998) suggested that subjective norms have the greatest impact when conditions are uncertain like entrepreneurial activity. For this reason, Linan, Nabi and Krueger (2013) conclude that if individual especially students can get power and support, it will influence him/her to develop more

intention of starting a business. This signifies that subjective norm is an important predictor of entrepreneurial intention.

Need for Achievement

McClelland (1971) has introduced the concept of need for achievement as one of the psychological motives. According to his theoretical framework, the basis for this need lies in the affective gratification associated with mastering difficult tasks and/or improving one's performance relative to some standard of excellence. In addition, McClelland (1971) asserted that the need for achievement as a personality characteristic that would encourage someone to have entrepreneurial intentions. Therefore, Collins, Hannon and Smith (2004) suggest the need for achievement is regarded as the most prominent predictor of student entrepreneurial intentions. Besides, he argues, that the need for achievement is strongly associated with entrepreneurship job options, where the individual with the needs of high achievement tends to be more interested in work that offers a higher level of control on results, personal responsibility, feedback on performance, and a high degree of risk. In the same way, Sagie and Elizur (1999) described the need for achievement as an impetus drive in undertaking obligated responsibilities perfectly and achieving success. According to Hansemark (2003) need for achievement can be defined as the probability of performing something in a better way as compared to others or one's own previous performances.

Subjective Norms and Entrepreneurial Intention

Previous studies specifically, Putri, Marsofiyati and Ded (2021) found significant positive effect between subjective norms and entrepreneurial intentions. In addition, Muliadi and Mirawati (2020) found positive and significant effect between subjective norm and entrepreneurial interest. In addition, Santos and Liguori (2020) found significant and positive effect between subjective norm and entrepreneurship intention. While, Kobylińska (2022) revealed that subjective norms do not play a significant role in the intention to take up self-employment. This brought about inconsistency in their result which suggest the need for introducing a moderator. In this regard, the study formulated the following null hypothesis.

H₀₁: *Subjective norms have no significant relationship with entrepreneurial intention*

Moderating Role of Need for Achievement

Need for Achievement is used in this study to play a moderating role in the relationship between subjective norms and entrepreneurial intention. This is because previous studies that examined these relationships found mixed and contradicting result in their study, and thus suggesting the introduction of moderation as recommended by Baron and Keny (1986). According to McClelland (1965) need for achievement is the desire to perform good things aimed at personal achievement such as entrepreneurship.

However, previous studies that used the predictors of intention established that need for achievement has a positive and significant effect on entrepreneurial intention. For example, Soomro and Shah (2022) found significant relationship between need for achievement and entrepreneurial intention. In addition, Aprilia and Ardana (2021) found significant relationship between need for achievement and entrepreneurial intention. Moreover, Utari and Sukidjo (2020) found significant positive relationship between need for achievement and entrepreneurial intention. In view of the above, this study believes that need for achievement could interact with subjective norms to predict entrepreneurial intention. This is in line with the study of Ajzen (2020) which call for extending the TPB. To add novelty to the TPB model, this study incorporate need for achievement to interacts with subjective norms which also consider as important predictor of intention to perform a given behaviour. As a result, this study argued that when individual student has subjective norms, it can lead to intention especially if people (students) have high need for

achievement to engage in entrepreneurial activities. In this regard, the study formulated the following null hypothesis.

H₀₂: *Need for achievement does not moderate the relationship between subjective norms and entrepreneurial intention*

Conceptual and Theoretical Framework

The conceptual framework of this study was formulated based on the review and suggestion of previous empirical studies. In particular, subjective norms is considered as independent variable of the study, need for achievement is the moderator and entrepreneurial intention is the dependent variable. Therefore, figure 1 below illustrate the conceptual framework of the study.

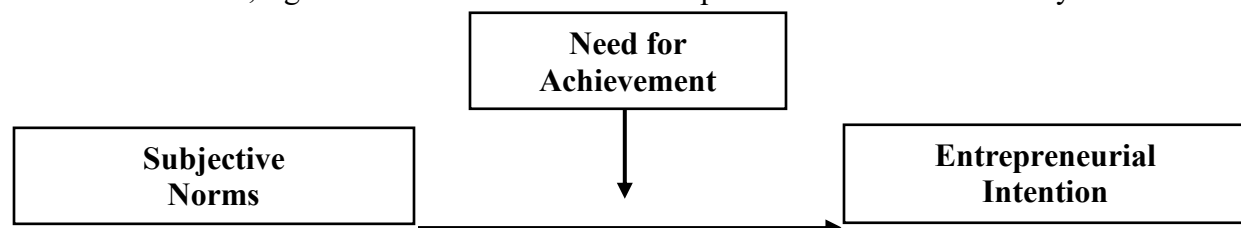


Figure 1: Conceptual Framework

The present study is underpinned by Theory of Planned Behaviour (TPB) which was developed by Ajzen (1991) and Theory of Achievement Motivation (TAM).

The TPB assumes that individuals act rationally, according to their attitudes, subjective norms, and perceived behavioural control (Ajzen, 1991). According to Ajzen (1991) subjective norm refers to the perceived influence from external parties (family, friends and peers) on individuals on intended behaviour. Therefore, TPB shows that individual intention is the best way to predict behaviour. This implies that entrepreneurial intentions are the best way for understanding the process of entrepreneurship (Krueger, 2004).

The TAM assumed that people have three motives for accomplishing things: the need for achievement, need for affiliation, and need for power. According to McClelland (1985) the need for achievement is the drive to excel, to achieve a relationship with a standard, trying to succeed. In line with the assumption of TPB and TAM, this study contended that if an individual has some level of need for achievement and subjective norm which is the perceived influence from external parties, he/she will have more chance of developing entrepreneurial intentions. In other word, this study argued that if need for subjective norms and need for achievement interact, it will lead to more entrepreneurial intentions.

3. METHODOLOGY

Research Design, Population and Sample

The research design employed in this study is cross-sectional in which data was collected at one point in time (Sekaran & Bougie, 2016). Similarly, the population of this study comprises 8,711 final year students of Usman Danfodio University, Sokoto during 2023/2024 session. The sample of the study is 367 which was arrived using Krejcie and Morgan (1970) table for determining sample size.

Measures

The measurement items for each construct were adapted and adopted from previous studies and measured with 5-point liker scale (1 = “strongly disagree”, 2 = “disagree”, 3 = “neutral”, 4 = “agree”, and 5 = “strongly agree”). Firstly, entrepreneurial intention was measured by six (6) items developed by Linan and Chen (2009). Secondly, subjective norms three (3) items adopted from

Linan and Chen (2009). Lastly, need for achievement was measured by seven (7) items adopted from Cassidy and Lynn (1989).

Technique of Data Analysis

The study employed Partial Least Square Structural Equation modelling (PLS-SEM) with the aid of SmartPLS 4 software as the technique of data analysis (Ringle, Wende & Becker, 2022). This analysis technique is increasingly used in business and entrepreneurship research (Becker, Cheah, Gholamzade, Ringle & Sarstedt, 2023). It was also selected considering its flexibility in estimating complex models involving independent variable, moderator and the dependent variable and for normality violations of data distribution (Hair, Hult, Ringle & Sarstedt, 2022).

4. RESULT AND DISCUSSION

To validate the instrument and test the hypotheses of the study stated in the previous section, this paper applies the PLS-SEM. These are (1) measurement model, and (2) structural model.

Measurement Model

The assessment of measurement model starts with assessing the individual item reliability, follow by internal consistency reliability, then convergent validity and lastly discriminant validity for all the constructs. For the individual item reliability, Hair et al. (2022) suggested 0.40 outer loadings, composite reliability value of 0.70, 0.50 or above for average variance extracted and less than 0.85 for discriminant validity using Heterotrait-Monotrait Ratio (HTMT) Therefore, the result are presented below.

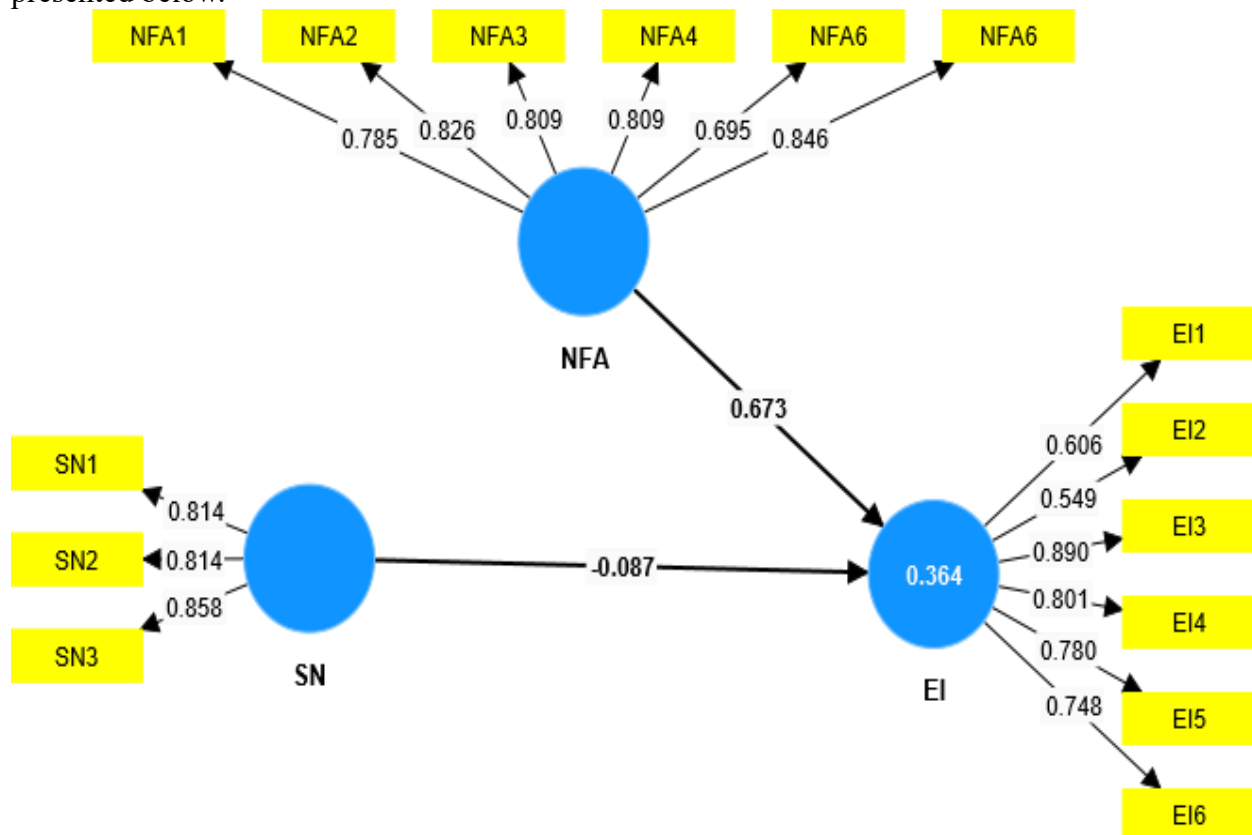


Figure 2: Measurement Model

As shown in figure 2 above, out of 16 items of all the construct of this study, 1 items (i.e., NFA5) were deleted because they had outer loadings lower than the suggested threshold of 0.40 and leaving the study with 15 items which was consider for adequate and implied that the individual item reliability of this study was achieved.

Table 1: Internal Consistency Reliability and Convergent Validity for all Construct

Constructs	Code	Loadings	CR	AVE
Subjective Norms	SN1	0.814	0.868	0.687
	SN2	0.814		
	SN3	0.858		
Need for Achievement	NFA1	0.785	0.912	0.634
	NFA2	0.826		
	NFA3	0.809		
	NFA4	0.809		
	NFA6	0.695		
	NFA7	0.846		
Entrepreneurial Intention	EI1	0.606	0.875	0.545
	EI2	0.549		
	EI3	0.890		
	EI4	0.801		
	EI5	0.780		
	EI6	0.740		

Note: CR = Composite Reliability and AVE= Average Variance Extracted

As shown in table 1, study has CR of 0.868, 0.912 and 0.875 for SN, NFA and EI respectively which are all above the threshold of 0.7 and thus indicating adequate internal consistency reliability. On the other hand, the convergent validity of this study was achieved because all the constructs had AVE value of greater than 0.50 [i.e., SN (AVE = 0.687), NFA (AVE = 0.634), and EI (AVE = 0.545)].

Similarly, the study used HTMT technique to assess discriminant validity which consider superior compared to the traditional cross loading and Fornell-Larcker criterion as proposed by (Henseler et al., 2015). Therefore, the result of discriminant validity of this study presented in table 2 showed that the HTMT values of all the constructs are less than the threshold value of 0.85, hence signifying adequate discriminant validity.

Table 2: Discriminant Validity (Heterotrait-Monotrait Ratio (HTMT))

Constructs	NFA	SN	EI
NFA			
SN	0.028		
EI	0.706	0.669	

Structural Model

The assessment of structural model entails assessing the significant and relevance of path coefficient, model's explanatory power and models predictive power (Hair et al., 2022). Therefore, the present study specifically used PLS bootstrapping procedure with 5,000 bootstrap sample and 412 cases to compute the bootstrapping mean values, standard errors, *t* values, and *p* values (5%

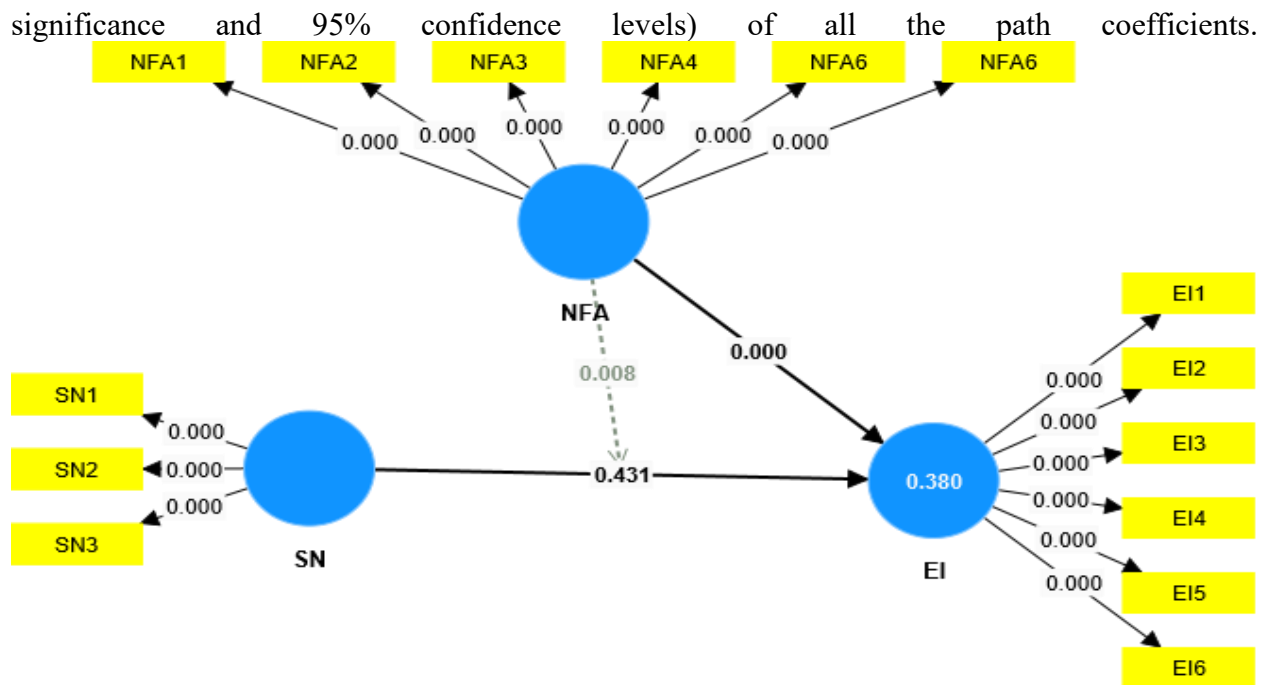


Figure 3: Structural Model

Table 3: Path Coefficient for Direct and Moderation Relationships

Hypotheses	Relationship	Beta	Standard deviation	T statistics	P values	Decision
Ho ₁	SN -> EI	0.087	0.111	0.788	0.431	Fail to Reject
Ho ₂	NFA x SN -> EI	0.090	0.034	2.638	0.008	Rejected

As shown in table 3 above, the direct relationship between SN and EI is positive and insignificant at 5% as confirm from the Beta Coefficient of 0.087 and P value of 0.431. It means that SN does not consider as very important factor for EI and thus provides the basis of fail to reject the Ho₁ which state that SN have no significant relationship with entrepreneurial intention. Also, the result is consistent with the work of Kobylińska (2022) which found insignificant relationship between SN and EI.

On the other hand, the moderation relationship between SN and NFA on EI is positive and significant at 5% as can be seen from the Beta Coefficient of 0.090 and P value of 0.008. This signifies that SN and NFA interact to significant influence EI and hence providing the basis for rejecting the Ho₂ which state that NFA does not moderate the relationship between SN and EI

However, the most commonly used measure to assess the structural model's explanatory power is the coefficient of determination (R^2) value, which is calculated as the squared correlation between a specific endogenous construct's actual and predicted values (Hair *et al.*, 2022). According to Hair *et al.* (2022) the R^2 values represent the amount of explained variance of the endogenous constructs in the structural model. Therefore, Chin (1998) proposed the R^2 values of 0.19, 0.33 and 0.67 to be considered as weak, moderate and strong respectively in the PLS-SEM path modeling. Hence, the result in table 4 below indicated that the study has R^2 value of 0.38 (38%) variance on the endogenous construct of EI which was considered moderate.

5. CONCLUSION AND RECOMMENDATIONS

The paper has provided additional evidence to the growing body of knowledge concerning the moderating role of need for achievement on the relationship between subjective norms and entrepreneurial intention. Based on the findings of the paper, it is concluded that subjective norms and need for achievement are important predictors of entrepreneurial intention. Therefore, the study recommends that while subjective norms may have a slight positive influence on entrepreneurial intention, their impact is not strong enough to be considered statistically significant. This suggests that other factors may play a more substantial role in influencing entrepreneurial intention. Future research should consider exploring additional variables or incorporating a larger sample size to potentially identify other significant determinants of entrepreneurial intention. It may also be useful to examine subjective norms in combination with other psychological, environmental or personality trait factors to provide a more comprehensive understanding of entrepreneurial behavior.

References

- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, 179-211.
- Ajzen, I. (2020). The theory of planned behavior: Frequently asked questions. *Human Behavior and Emerging Technologies*, 2(4), 314-324.
- Ajzen, I., & Fishbein, M. (1973). Attitudinal and normative variables as predictors of specific behavior. *Journal of personality and Social Psychology*, 27(1), 41.
- Aprilia, G., & Ardana, I. K. (2021). The Influence of Subjective Norms, Locus of Control, and Need for Achievement on Entrepreneurial Intentions. *American Journal of Humanities and Social Sciences Research (AJHSSR)*, 170.
- Bandi, M. (2015). Entrepreneurship knowledge and self-employment intention among undergraduates. A Case Study of Usmanu Danfodiyo University Sokoto.
- Barba-Sánchez, V., & Atienza-Sahuquillo, C. (2018). Entrepreneurial intention among engineering students: The role of entrepreneurship education. *European research on management and business economics*, 24(1), 53-61.
- Becker, J. M., Cheah, J. H., Gholamzade, R., Ringle, C. M., & Sarstedt, M. (2023). PLS-SEM's most wanted guidance. *International Journal of Contemporary Hospitality Management*, 35(1), 321-346.
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. In G. A. Marcoulides (Ed.), *Modern methods for business research* (pp. 295– 336). New Jersey: Lawrence Erlbaum Associates, Publisher.
- Chukwuma-Nwuba, E. O. (2019). *The Effect of Entrepreneurship Education Programme on Nigerian Graduates' Entrepreneurial Intentions* (Doctoral dissertation, University of Northampton).
- Cialdini, R. B., & Trost, M. R. (1998). Social influence: Social norms, conformity and compliance.
- Collins, L., Hannon, P. D., & Smith, A. (2004). Enacting entrepreneurial intent: the gaps between student needs and higher education capability. *Education+ training*, 46(8/9), 454-463.

- Dzomonda, O., & Neneh, B. N. (2023). How attitude, need for achievement and self control personality shape entrepreneurial intention in students. *South African Journal of Economic and Management Sciences*, 26(1), 1-11.
- Gujrati, R., Lawan, L. A., Jain, E., & Tyagi, V. (2019). Entrepreneurial intention of undergraduates in Nigeria: The role of subjective norm. *International Journal of Recent Technology and Engineering*, 8(2), 6220-6226.
- Gujrati, R., Lawan, L. A., Jain, E., & Tyagi, V. (2019). Entrepreneurial intention of undergraduates in Nigeria: The role of subjective norm. *International Journal of Recent Technology and Engineering*, 8(2), 6220-6226.
- Hair Jr, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M. (2022). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. 3rd ed., Sage.
- Hansemak, O. C. (2003) "Need for achievement, locus of control and the prediction of business start-ups: A longitudinal study", *Journal of Economic Psychology*, 24 (3), 301-319.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the academy of marketing science*, 43, 115-135.
- Kobylińska, U. (2022). Attitudes, subjective norms, and perceived control versus contextual factors influencing the entrepreneurial intentions of students from Poland. *WSEAS Transactions on Business and Economics*, 19, 94-106.
- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample for research activities. *Educational and Psychological Measurement*, 38, 607-610.
- Kruger, M. (2004). Entrepreneurship Theory & Creativity. *University of Pretoria etd*, 9.
- Liguori, E., Winkler, C., Vanevenhoven, J., Winkel, D., & James, M. (2020). Entrepreneurship as a career choice: intentions, attitudes, and outcome expectations. *Journal of Small Business & Entrepreneurship*, 32(4), 311-331.
- Liñán, F., & Chen, Y. W. (2009). Development and cross-cultural application of a specific instrument to measure entrepreneurial intentions. *Entrepreneurship Theory and Practice*, 33, 593-617.
- Liñán, F., & Santos, F. J. (2007). Does social capital affect entrepreneurial intentions?. *International Advances in Economic Research*, 13, 443-453.
- Liñán, F., Nabi, G., & Krueger, N. (2013). British and Spanish entrepreneurial intentions: A comparative study. *Revista de economía Mundial*, (33), 73-103.
- McClelland, B. J. (1971). Properties of the latent roots of a matrix: the estimation of π -electron energies. *The Journal of Chemical Physics*, 54(2), 640-643.
- McClelland, D. C. (1985). How motives, skills, and values determine what people do. *American psychologist*, 40(7), 812.

- Omeje, A. N., Jideofor, A., & Ogwu, M. O. (2020). Youth empowerment and entrepreneurship in Nigeria: Implication for economic diversification. *Journal of Sage*, 12(1), 1-12.
- Pejic Bach, M., Aleksic, A., & Merkač-Skok, M. (2018). Examining determinants of entrepreneurial intentions in Slovenia: applying the theory of planned behaviour and an innovative cognitive style. *Economic research-Ekonomska istraživanja*, 31(1), 1453-1471.
- Santos, S. C., & Liguori, E. W. (2020). Entrepreneurial self-efficacy and intentions: Outcome expectations as mediator and subjective norms as moderator. *International Journal of Entrepreneurial Behavior & Research*, 26(3), 400-415.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill-building approach*. (7th ed.). Wiley & Sons Sussex.
- Thompson, J. (2009). *Performance affects: Applied theatre and the end of effect*. Springer.
- Ward, A., Hernández-Sánchez, B., & Sánchez-García, J. C. (2019). Entrepreneurial intentions in students from a trans-national perspective. *Administrative Sciences*, 9(2), 37.