

# A Review of The Relationship between implemental mindset and entrepreneurial intention among Vietnamese students

Nguyen Huong Hue\*, Dao Duy Hung\*\*

\*Buon Ma Thuot Medical University, Vietnam

\*\*Buon Ma Thuot Medical University, Vietnam

Received: 08/8/2024; Accepted: 16/8/2024; Published: 26/8/2024

**Abstract:** This article addresses the current issue that the Government and the Ministry of Education and Training of Vietnam are focusing on: the issue of 'entrepreneurial intentions' among students. The article also emphasizes the necessity to enhance 'entrepreneurial intentions' in Vietnamese students, thereby creating opportunities to foster entrepreneurial behavior. Additionally, the author introduces a theoretical framework to discuss the relationship between 'implementation intention' and 'entrepreneurial intention' - a core factor that can stimulate 'entrepreneurial intention' among students. The article also provides an overview of five research model approaches to student entrepreneurship to identify the research model in the relationship between action mindset and entrepreneurial intention of students, providing an analytical framework for the relationship between implementation intention and entrepreneurial intention.

**Keywords:** Entrepreneurial intention, entrepreneurial behavior, Vietnamese students

## 1. Introduction

In compliance with the Decision No. 1665/QĐ-TTg dated October 30, 2017 of the Prime Minister of Vietnam approving the Project "Supporting Vietnamese pupils and college students to start businesses by 2025" (hereinafter referred to as Decision No. 1665); the Decision No. 1230/QĐ-BGDĐT dated March 30, 2018 of the Minister of Education and Training of Vietnam on promulgating the plan for development of the Project "Supporting Vietnamese pupils and college students to start their own businesses until end of 2025" of the education sector (Decision No. 1230), the Ministry of Education and Training of Vietnam has issued Official Letter No. 1832-BGDĐT-GDCTHSSV (2018) proposing universities, academies, colleges, pedagogical colleges and intermediate schools of pedagogy focus on implementing a number of missions.

Over the past 6 years of development, analyzing statistics from universities, colleges and vocational schools across the country show that the percentage of students intending to start a business (students who participated in training courses, seminars on entrepreneurship awareness and skills) and the percentage of start-up students is quite modest.

*Table 1: Statistics on the percentage of students starting a business at universities and colleges in Vietnam*

School groups	Percentage of students intending to start a business	Percentage of students starting a business
Professional schools, colleges and universities in centrally-run cities	57.3 %	0.08%
Professional schools, colleges and universities in other provinces	37.3%	0.03%

*Source: Entrepreneurship Plan Report (2021, p.6), Minister of Education and Training of Vietnam*

Statistics from Table 1 show that, although the Start-up Project for students has been deployed synchronously from the Government to inter-ministries, especially the Ministry of Education and Training, the results are a big challenge for educational administrators in Vietnam.

Business Forum Newspaper (2017), in the report of the Ministry of Education and Training on start-up activities and supporting students to start a business at 120 universities and 115 colleges, almost nothing has been implemented. "Up to 62% of students surveyed think that current start-up activities are trendy and not really effective. However, when asked about entrepreneur ability, up to 89% of students said that they have entrepreneur ability and 80% of students intend to join business activities after graduation. Business opportunities of students now are 61% from

family, 21% from friends and 18% from other places. In developing countries, the proportion of people who perceive the possibility of starting a business is high, leading to a high percentage of people with entrepreneurial intentions (average of 36.5% with intention). Particularly in Vietnam, the start-up rate is really low compared to the percentage of people who are aware of opportunities, start-up possibilities and intend to start a business (GEM, 2016). What makes the rate of entrepreneurship among students so low?

## 2. Approaching the research model of entrepreneurship among students

Psychological theory distinguishes two types of human characteristics, namely trait-like and state-like (Chen et al., 2000). The theory of organizational behavior also distinguishes two types, namely (1) trait-like; personality capabilities and (2) state-like; psychological capabilities. Meanwhile, psychological capabilities are context-dependent and tend to change over time (Chen et al., 2000). So, there are 5 approaches to this kind of entrepreneurship:

**The first approach** is state-like, based on the core models by using the background theories: (1) Bird 's theory of implementing startup ideas (1988) ; (2) Shapero & Sokol 's Theory of Entrepreneurship Event Model (EEM) (1982); and (3) A theory of behavioral intentions (TPB) of Ajzen (1991), but EEM and TPB theories are popular.

**The second approach** is trait-like - personality: only people with qualities such as not being afraid of risks, creativity, taking risks, self-controlling behavior, etc., can form intentions and start a business. However, this approach reveals some disadvantages when there are too many factors included in each different study, leading to inconsistency as well as the inability to change the personality according to the context and difficult to change over time. Studies of this kind can only explain 10% of the variability in entrepreneurial behavior (Van Gelderen et al., 2015) and moreover, it is abstract and difficult to measure.

**The third approach** impact of education on entrepreneurship: the strength of this approach refers to the ability of entrepreneurs to learn to improve their attitudes and intentions to start a business of the entrepreneur. However, many empirical studies show that there are many differences in entrepreneurial attitudes and intentions when participating in entrepreneurship education programs (Zhao et al., 2005).

**The fourth approach** through the impact of environmental factors and related start-up organizations: this approach has strengths in linking entrepreneurial behavior with the impact of support organizations. Supporting startups such as investment funds, incubators, etc. refers to the ability of entrepreneurs to learn and adapt to the environment (Cope, 2005). However, this approach is beyond the scope of the early stages of the startup process.

**The fifth approach** follows the entrepreneurial process and the link between intention and behavior: Studying the effects on the consistency or conflict between intentions and behavior. The above approaches have posed many challenges in the study of entrepreneurial intention (Krueger et al., 2000). From intention formation to action can depend on a complex process (Schlaegel & Koenig, 2014).

In Vietnam, the author has not found studies that refer to the pre-action process in the formation of entrepreneurial intentions.

In summary, the practical context and previous empirical studies show that, the formation of entrepreneurial intentions is still a theoretically complex process. It is essential to improve the predictability of entrepreneurial intent to action. Previous studies mainly stopped at abstract intention, very little research on volition stage.

Therefore, from the above analysis, the author chooses the topic "Relationship between implemental mindset and entrepreneurial intention of students" for research.

## 3. Theoretical basis and research framework

### 3.1- The concept of entrepreneurship and entrepreneurial intention

**Entrepreneurial Intention** refers to a state of mind emphasizing personal interest and experience to undertake the creation of a new enterprise (Bird, 1988). In the intent model, the link between intent and behavior is always direct.

Kelly et al. (2012) in the study of the global entrepreneurship index, showed that the start-up process took place in stages: (1) potential entrepreneurs; (2) entrepreneurial intention; (3) Establishment of a business; (4) Management of business activities; (5) Business development; (6) Termination of business activities. GEM (2014, p.17) has interpreted this cycle (see figure 1) as follows:

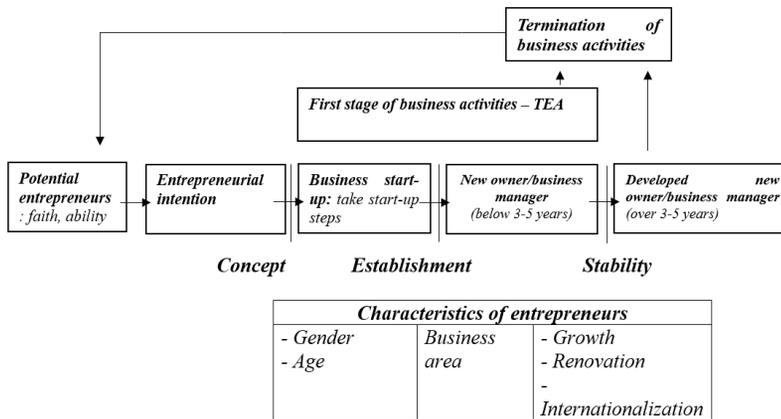


Figure 1: Start-up cycle as defined by GEM

Source: GEM (2014, p.17), quoted from Kelly et al (2012)

“The startup cycle begins with a potential entrepreneur who sees business opportunities where they live and believes they have the ability to start a business. Another factor that also builds confidence in these potential entrepreneurs is the fact that they are not afraid of failure when pursuing business opportunities. It is these factors that will help potential entrepreneurs who intend to start a business” (GEM, 2014, p.17).

There are many different definitions of entrepreneurship as presented, the author has the same opinion as Kelly et al (2012) and Fayolle & Liñán (2014). Accordingly, to become an entrepreneur, they must first have potential. Thus, the start-up process of potential entrepreneurs is composed of four stages: (1) The entrepreneur ‘s awareness of opportunities and entrepreneurial ability; (2) Assessing opportunities through entrepreneurial mindset (compare and contrast the perception of opportunity and the ability to start a business); (3) Linking start-up goals; (4) Formation of intention to start a business.

### 3.2- Approaching the theoretical basis of implemental mindset and entrepreneurial intention

So far, various authors have been inspired by intention models to study entrepreneurial intention and its precursors as the starting point of the entrepreneurial process. The following are some of the main research directions on entrepreneurship intentions that are summarized as follows:

Firstly, approach from a socio-psychological perspective, in order to analyze behaviors in general and elaborate the mental process (mainly based

on the analysis of feelings and emotions through the process of introspection - a subjective process) from attitudes, beliefs to actions of individuals. 2 studies related to the formation of entrepreneurial intentions, for example Ajzen (1991) and Bandura (1997).

Secondly, are theories specific to the field of entrepreneurship (Bird, 1988; Shapero & Sokol, 1982) . This approach emphasizes

the interaction between the thought process element and the and catalysts are push or pull factors.

Thirdly, add preconditions to the entrepreneurial intention model based on the two directions above. That is the role of education; or the impact of environmental, cultural, institutional and entrepreneurial factors; or as the influence of personality traits.

Finally, using the new theoretical frameworks: Consider alternative or significantly modified theories compared to traditional intention models.

### 4- Foundation theories

Mindset theory of action stages (Gollwitzer & Keller, 2012, 2016)

Gollwitzer & Keller (2016) proposed the theory of action-phase mindset and suggested that goal pursuits can be divided into four distinct but successive stages of action, each of which sets forth specific unique requirements and challenges. Overcoming these challenges is facilitated by activating certain mindsets.

In the pre-decision stage individuals have to choose between many potential goals and therefore must weigh in on information regarding feasibility and desirability, which greatly benefits from triggering intentional mindset by making a decision to pursue a certain goal. From there, options and strategic choices will be made through planning when, where and how to act.

Entrepreneurial mindset model (Mathisen & Arnulf, 2013)

Based on Teece’s *Capacity theory* (2010), Mathisen & Arnulf (2013) argue that the main point of the Capacity theory is that effort, dedication, and cohesion are determinants, not necessarily from motivation.

On this basis, along with the theory of Gollwitzer & Keller (2016) in the pre-action phase, Mathisen & Arnulf (2013, p.133) has summarized two directions to evaluate startup opportunities: the first direction, start-up opportunities are objective; the second direction, the opportunity is only created when the entrepreneur discovers, evaluates and implements it. The difference in the decision to start a business or not can be traced back to the difference in the ability to think about business opportunities (Shane et al., 2010).

Furthermore, in the current context, start-up activities are defined as the establishment of new companies. It's also been one of the most popular ways to define entrepreneurship over the past decade, and the intentions in these approaches are rather abstract, not reflective of its power for the act of entrepreneurship (Krueger & Welppe, 2014).

Commitment theory (Meyer & Allen, 1991)

According to Kiesler (1971), commitment is defined as “the relationship between an individual and his or her goals and actions that is not subject to laws but is completely voluntary”. This definition is completely consistent with the volition stage in Gollwitzer & Keller’s (2016) theory of mindset, action stages. Individuals may commit to action to varying degrees. Therefore, commitment will make the individual adapt to the situation (Bui Thi Hong Thai, 2008).

Value-based commitment: related to perceived costs and benefits associated with leaving the organization. Employees with high value commitment are more likely to stay with the organization.

Goal setting theory of motivation (Locke & Latham, 1990)

Goal setting theory suggests that there are two factors that determine the perception of behavior: values and intentions (goals). While a goal is defined as what the individual is conscious and trying to accomplish and values are the outcomes that the individual wishes to achieve.

There are two important factors that mediate between specific, challenging goals and high levels of motivation. First, commitment to the goal, the more the desire to stick with the goal, the more effort the individual will work towards achieving the goal. Second, self-efficacy, achieving success and belief in the right direction helps individuals increase the motivation to take action.

Entrepreneurial Event model (Krueger et al., 2000)

Krueger et al. (2000) have adjusted the model of Shapero & Sokol (1982), by providing 3 factors affecting entrepreneurial intention, that is: perceived desire to start a business, perception of feasibility, propensity to act refers to an individual’s propensity to act on their decisions by taking appropriate actions.

From the above reviews, the author realizes that the concept of ‘Implemental mindset’ in the study of students’ entrepreneurial intentions includes the following elements: ‘Entrepreneurial mindset’, ‘Associated with entrepreneurship’, ‘Consciousness of wanting to start a business’, ‘Perception of entrepreneurship’ and these factors will affect the ‘Entrepreneurial intention’ of Students.

### 5- Conclusions and directions for further research

At this point, the article raises the research problem in the context: The Government and the Ministry of Education and Training of Vietnam are very concerned about; they have been and will be taking many actions to promote the ‘start-up’ behavior of students - that is, to study the relationship between ‘implemental mindset’ and ‘entrepreneurial intention’. The article stops at justifying and providing an analytical framework for the relationship between ‘implemental mindset’ and ‘entrepreneurial intention’, it is necessary to subsequently build a research model and test with the real data.

### References

1. Bui Thi Hong Thai (2008). Applying the commitment theory in promoting energy saving behavior in Schools. *Psychology Journal*. October 2008, pp. 56-63
2. GEM (2016 ). Vietnam Business Index Report 2015 : *Social business activities*. Hanoi: Transport Publishing House.
3. GEM (2014 ). Vietnam Business Index Report 2013: *Social business activities* . Hanoi: Transport Publishing House.
4. Nguyen Van Thang (2015). *Some contemporary theories of business administration: Applications in research* . Hanoi: Publishing House of National Economics University.
5. Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), pp.179-211. doi:http://dx.doi.org/10.1016/0749-5978(91)90020-T