

DOI: <https://doi.org/10.5281/zenodo.7265882>

## AN ENTREPRENEURIAL GOAL SETTING APPROACH FOR ASSESSING THE ENTREPRENEURIAL MINDSET OF STUDENTS AT AN INSTITUTION OF HIGH LEARNING IN THE EASTERN CAPE PROVINCE

**Samson Nambei Asoba**, Department of Public Management and Administration, Walter Sisulu University  
**Nteboheng Patricia Mefi**, Department of Public Management and Administration, Walter Sisulu University

### ABSTRACT

Ever since entrepreneurial focus became a global matter in economic development, the concept of entrepreneurial mindset has been important. Consequently research into entrepreneurial mindset has taken different dimensions. This study considered the propensity to entrepreneurial goal setting in relation to the entrepreneurial mindset of final year University students. The study was based on the realization that exposure to entrepreneurial education lead to a better entrepreneurial mindset and what was critical was the determination of the goal setting capacity of such a mindset. Quantitative data was collected from final year University students of entrepreneurship who had got their final marks in the field. The entrepreneurial goal setting proficiency of the students was measured through goal setting theory dimensions of specific, measurable, time-framed, attainable and result orientation of the goals. A correlation analysis of the entrepreneurial mindset score and the entrepreneurial goal setting proficiency was then correlated. The correlation was significant (with a correlation coefficient of 0.74 at the 0.01 level of 2-tailed analysis). These should that a strong entrepreneurial mindset was found to be strong correlated positively with entrepreneurial goal setting. The study recommends the strengthening entrepreneurship in higher education for the growth of entrepreneurial activity.

**Keywords:** Entrepreneurship, mindset, goal setting, economic development, higher education.

### INTRODUCTION

The goal setting theory has been of interest in Management Science over the years (Lunenburg, 2011). while the concept of an entrepreneurial mindset has also been considered significantly in the literature. Despite the acknowledgement that goals are an indicator of the manifestation of phenomena, there has been limited studies on goal setting as an indicator of an entrepreneurial mindset. A simultaneous study of these two notions is necessary in evaluating whether an entrepreneurial mindset lead to the development of good entrepreneurial goals among students of entrepreneurship. With the high unemployment rate reported in the Eastern Cape Province and in the country at large, this study to tend to be critical in expanding existing knowledge on entrepreneurship as well as opening up new knowledge frontiers.

## **Entrepreneurial mindset**

While research has considered the entrepreneurial mindset from different dimensions, Kuratko and Audretsch (2021) provided a triad perspective of the entrepreneurial mindset that mentions that the entrepreneurial mindset is composed of cognitive, behavioural and emotional elements. The cognitive element denotes entrepreneurial thinking and mental capabilities while the behavioural component point to the actions related to venture creation and management as the emotional factor relate to the internal disposition to entrepreneurial activities. Jiatong, Murad, Bajun, Tufail, Mirza and Rafiq (2021) argued for the cognitive element of the entrepreneurship mindset and emphasizes that the entrepreneurial mindset is viewed with deeper emphasis on its cognitive elements. Cui's (2021) study on the entrepreneurship curriculum and the development of an entrepreneurial mindset confirmed a causal relationship where the curriculum result in the development of an entrepreneurial mindset as moderated by the teaching methods adopted.

## **Goal setting theory and the entrepreneurial mindset**

Goal setting in entrepreneurship behavior is a contribution to evaluation of the entrepreneurship mindset based on the assertion that the entrepreneurial mindset is the basis for setting entrepreneurial goals. Goals have been at the centre of theories of motivation and have been considered a major determinant of human behavior over the past years (Lunenburg, 2011). Typical theories in this regard include those of Vroom's (1994) theory, Bandura's (1986) social cognitive theory, Maslow's (1970) work on the hierarchy of human needs as well as Herzberg's (2009) motivation theories and Skinner's (1979) operant behaviourism theory. With growing recognition that entrepreneurship has become critical in economies the development of an entrepreneurial mindset and its translation to goals has become important. In consideration of these arguments the work of Locke and Latham (1990) which presented a formalized interpretation of the goal setting theory that has been at the prime of explaining behavior in many contexts is important. This study is essentially based on the expectation of goal setting as the indicator of an active entrepreneurship mindset, this study was considered entrepreneurial goal setting behavior among final year students of entrepreneurship at an institution of higher learning in the South African context. The study recognizes that entrepreneurship education was pioneered by Shigeru Fijii at Kobe University in Japan with the goal of creating opportunity recognizing and enterprising graduates capable of taking risks in enterprise formation (Chimucheka, 2014). Chimucheka's (2014) study also argues that South Africa has been characterized by discouragement of self employment or entrepreneurship in favour of being employed. These observations tend to support the need to explore students' propensity to start entrepreneurial ventures based on having clearing goals for entrepreneurial activity. The acceptance that human behavior is planned leads implies that entrepreneurial behaviours and enterprise start up are considered to be planned actions (Stelzer, 2016). The concept of an objective and a goal are usually applied synonymously even though it is generally appreciated that an objective is fairly short framed while a goal is for the long term. In respect of this, entrepreneurship goals are taken to be for the long and a broad as they foster economic development while objectives are for the short term. A goal is the object or aim of an action. Goals and objectives influence performance behaviour by determining the direction, the degree of effort applied and consistence of action in the long run. Goals are often considered to be standards of self-satisfaction and harder goals that demand higher determination in order to attain

self satisfaction are taken to be motivating than easy goals (Lunenbug, 2011). In the goal setting literature, such initiatives as Management by objectives (MBO) which means changing general organisational goals into specific, measurable, time framed and attainable (SMART) objectives for enterprise units and individuals have grown in importance (Decenzo & Robbins, 2007: 266). In a general MBO programme, objectives are put into reality in a system whereby a set of objectives transcend from top management through middle and lower management to individuals. The involvement everyone as well as the availability of performance feedback ensures that the goal setting process is not only from top downwards but also from downwards to the top as well. Since objectives make work meaning and challenging, they can be viewed as intrinsic motivators in Herzberg's two-factor theory. Objectives as motivators are also supported by McClelland's need theory because they are associated with a need to achieve. An employee would be motivated to achieve the set objectives. Furthermore, MBO involves subordinates in the setting of goals, by so doing; the employees would expect to achieve their own objectives. Vroom's theory argues that such expectancy is a source of motivation. In consideration of the above, this study sort to explore the relationship between an entrepreneurial mindset and entrepreneurial goal setting proficiency of final year students of entrepreneurship at an institution of higher learning in South Africa.

## **METHODOLOGY**

Taking note that the entrepreneurship mindset is basically a cognitive interpretation of entrepreneurial readiness, this study was believed on the existence of an objective reality which can be considered quantitatively. This then implied a positivist approach to the interpretation of the entrepreneurial mindset. Within this view of reality, knowledge of the entrepreneurial mindset through goal setting was deemed to be based on quantitative methods. In other words the study was based on the acceptance that there is an objective reality in respect of entrepreneurial mindset and its translation to reality. As result, quantitative data was collected. Among the many quantitative research methods, this was exploratory. It explored the entrepreneurial mindset and its goal setting efficacy among entrepreneurial students at a University. The review of literature which was done earlier in the study demonstrated that education is considered an import process through which the entrepreneurial mindset is shaped and developed. As such students who succeed in their entrepreneurial course can be considered to have developed an entrepreneurial mindset which can influence result in entrepreneurial goal setting. Graduating with a pass in entrepreneurial education can be deemed to be a predictor or indicator of the presence of an entrepreneurial mindset. Moreso, having an entrepreneurial mindset implies entrepreneurial goal setting behavior. Therefore the independent variable for the study were entrepreneurial marks of final year students of entrepreneurship who have passed the entrepreneurship course. The dependent variable was goal setting efficacy of the students who participated in the study. Goal setting efficacy was analysed in reliance to the goal setting theory as it characterized good goals as those that are specific, measurable, result oriented and time framed. The marks of the students who passed the entrepreneurship course were provided by the entrepreneurship department and eighty students (80) who had passed the entrepreneurial course became available for the study. The students were conducted through emails and they were requested to write down at their entrepreneurial goals and these goals were considered in terms of their specificity, measurability, timeousness and result orientetedness. Scores for goals were allocated as provided in Table 1.

Table 1: Goal setting scoring sheet

	Score
Goal is specific	20
Goal is measurable	20
Goal is result-oriented	20
Goal is attainable	20
Goal is time framed	20
Total goal setting score	100

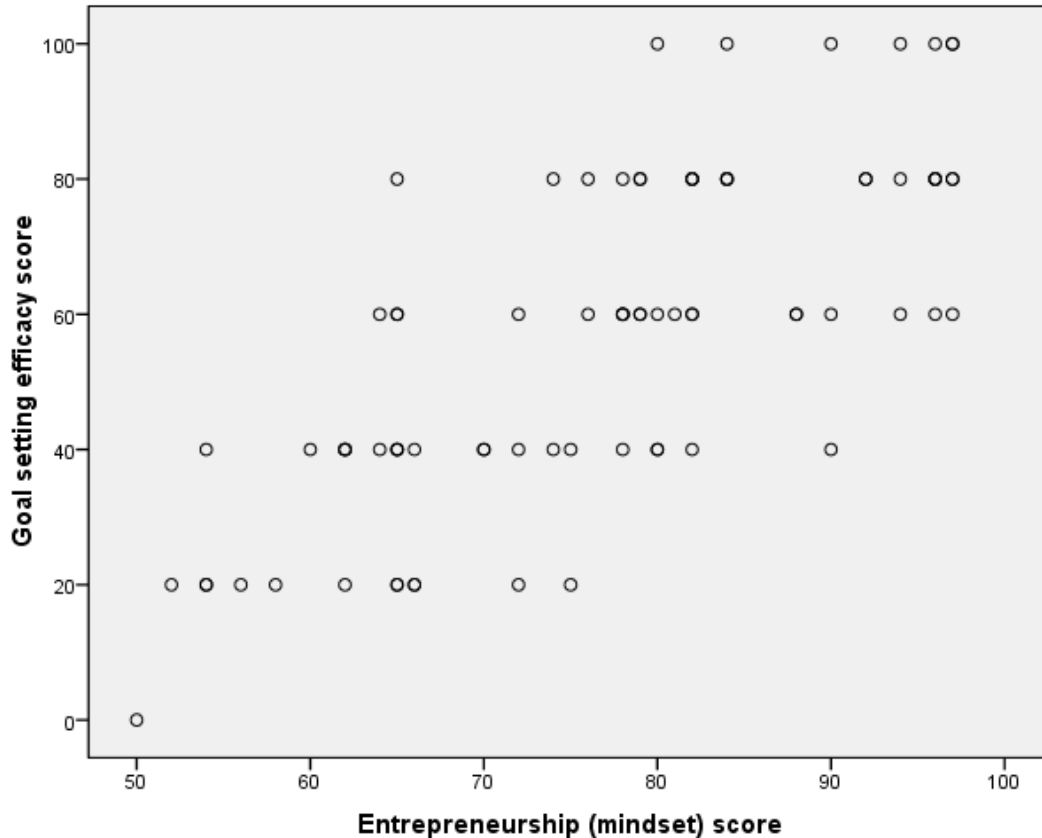
The goal analysis sheet that was used for the study was as provided above.

## Findings

The analysis of findings was based on a correlation analysis technique whereby goal setting scores were analysed in relation to the entrepreneurship scores of the students from the selected university. As explained earlier, entrepreneurship mindset scores were considered to be the final marks of the students. All the students who participated in the study had pass marks thereby confirm that they had an entrepreneurial mindset. The scores were plotted on a scatter diagram using an SPSS data sheet. The scatter diagram is as provided in Figure 1. Scatter diagrams are considered to provide an overview of scores in correlational studies before the calculation of correlation coefficients. This procedure was followed and yielded as discussed in the following paragraphs.

Figure 1 shows that the entrepreneurial mindset was plotted as the independent variable as it was considered to affect entrepreneurial goal setting among the students. The pattern shown in Figure 1 generally point to the existence of both high and low score for both variables. A preliminary look at the scores of the two variables as provided on the scatter diagram shows that low scores of the entrepreneurial mindset scores were associated with low scores of the goal setting, similarly, high scores of the entrepreneurial mindset were also associated with high scores of the goal setting scores. The size of the correlation were determined by calculating Pearson's coefficient of correlation.

Figure 1: Scatter-plot of variables



The data presented on the scatter diagram was subjected to correlation analysis and Table 2 shows the descriptive statistics in respect of the scores. The mean entrepreneurial mindset score was 77 as compared to 57 for the goal setting score. This shows that respondents had a better score of the entrepreneurial mindset than that of goal setting. This implies that entrepreneurial goal setting was distinctively difficult despite a better entrepreneurial mindset.

Table 2: Descriptive Statistics

	Mean	Std. Deviation	N
Entrepreneurship (mindset) score	76.88	12.963	80
Goal setting efficacy score	57.00	25.077	80

Table 3 is a table of correlations in relation to entrepreneurial mindset and entrepreneurial goal setting. As is presented in Table 3, the correlation was significant (with a correlation coefficient of 0.74 at the 0.01 level of 2-tailed analysis).

**Table 3: Correlations**

		Entrepreneurship (mindset) score	Goal setting efficacy score
Entrepreneurship (mindset) score	Pearson Correlation	1	.754**
	Sig. (2-tailed)		.000
	N	80	80
Goal setting efficacy score	Pearson Correlation	.754**	1
	Sig. (2-tailed)	.000	
	N	80	80

\*\* . Correlation is significant at the 0.01 level (2-tailed).

These results show that entrepreneurial mindset of the students from the university was strongly and positively correlated with entrepreneurial goal setting. These studies strongly reinforce previous findings in the literature that have found a causal relationship between entrepreneurial mindset and better entrepreneurial activities. Chimucheka's (2014) study found that entrepreneurial mindset was related to the development of entrepreneurial skills, entrepreneurial qualities as well as entrepreneurial concepts and awareness. In the same way, Pihie, & Sani and (2014) found that entrepreneurial mindset is associated with improved entrepreneurial skills and behaviours. In the same way Diaka and Soom (2018) found that the entrepreneurial mindset or its absence was a significant effect in SMEs performance and if any economy is expected to develop then the entrepreneurial mindset is a critical concept for analysis. Additionally, in Naumann 's (2017), it is mentioned that the entrepreneurial concept is essential in the growth of entrepreneurship across regions and in solving the unemployment and joblessness problem facing developing countries.

## CONCLUSION

This study demonstrated that the entrepreneurial mindset of students as developed through entrepreneurial education was an important factor in the development of entrepreneurial goal setting behavior. A close positive correlation was found between entrepreneurial mindset scores and goal setting efficacy scores. As such entrepreneurial education had the capacity to develop an entrepreneurial mindset which then lead to the better focus and entrepreneurial goal setting. These findings are as in the literature and they imply that it is necessary to strengthen entrepreneurial education through relevant curriculum in order to realize better entrepreneurial activity. This then is important for advancing economic progress. Further research is also necessary to enquire on entrepreneurial goal setting and entrepreneurial goal setting in different context as well as using different methodologies. Governments are recommended to capacitate higher education entrepreneurship curricular for the achievement of desired entrepreneurial goals.

## REFERENCES

1. Naumann, C. 2017. Entrepreneurial Mindset: A Synthetic Literature Review. *Entrepreneurial Business and Economics Review*, 5(3), 149-172
2. Pihie, Z.A.L. & Sani, A.S.B. 2014. Exploring the entrepreneurial mindset of students: implication for improvement of entrepreneurial learning at university. *The Journal of International Social Research Volume, 2 (8): 340-345*
3. Diaka, H., & Soom, A. 2018. Entrepreneurial Mindset and Performance of Small and Medium Scale Enterprises in Makurdi Metropolis, Benue State-Nigeria. *International Journal of Innovation*, 6(2), 124-146.
4. Lunenburg, F.C. 2011. Goal-setting theory of motivation. *International Journal of Management, Business and Administration*, 15(1):1-6.
5. Cui, J. 2021. The Impact of Entrepreneurship Curriculum with Teaching Models on Sustainable Development of Entrepreneurial Mindset among Higher Education Students in China: The Moderating Role of the Entrepreneurial Climate at the Institution. *Sustainability*, 13, 7950. <https://doi.org/10.3390/su13147950> [23/08/2022]
6. Stelzer, J. 2016. Fostering an entrepreneurial mindset at universities. Published Masters dissertation. Institute for Entrepreneurship and Organizational Development, Johannes Kepler University.
7. Jiatong, W., Murad, M., Bajun, F., Tufail, M.S., Mirza, F. & Rafiq, M. 2021. Impact of Entrepreneurial Education, Mindset, and Creativity on Entrepreneurial Intention: Mediating Role of Entrepreneurial Self-Efficacy. *Front. Psychol.* 12:724440.doi: 10.3389/fpsyg.2021.724440 [23/08/2022].
8. Kuratko, D.F., Fisher, G. & Audretsch, D. B. 2021. Unraveling the entrepreneurial mindset. *Small Bus Econ*, (2021) 57:1681–1691
9. Chimucheka, T. 2014. Entrepreneurship Educational in South Africa. *Mediterranean Journal of Social Sciences*, 5(2):403-416.