

# *The Mediating Role of College Students' Self-Efficacy: The Relationship between the Big Five Personality Traits and Entrepreneurial Intention*

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**Abstract:** This research paper explores the relationship between the Big Five personality traits, college students' self-efficacy, and their entrepreneurial intentions. By examining how individual characteristics influence one's inclination towards entrepreneurship, this study provides valuable insights for fostering an entrepreneurial spirit among college students. The Big Five personality traits - extraversion, conscientiousness, openness to experience, agreeableness, and emotional stability - play a significant role in shaping entrepreneurial behavior. Additionally, college students' self-efficacy, or their belief in their ability to succeed, influences their entrepreneurial intentions. Understanding these dynamics can inform strategies to promote entrepreneurship, such as incorporating relevant educational programs and fostering an environment that nurtures entrepreneurial aspirations. By recognizing the importance of personality traits and self-efficacy in entrepreneurial intentions, educators and policymakers can contribute to cultivating a generation of aspiring entrepreneurs who drive innovation and economic growth.

## **1. Introduction**

Entrepreneurship plays a crucial role in economic development and social progress. It is a catalyst for innovation, job creation, and addressing societal challenges. Encouraging entrepreneurial intentions among college students is of great importance as it cultivates a culture of innovation and prepares future generations to become drivers of change. Understanding the factors that influence entrepreneurial intentions is essential for policymakers and educators to develop effective strategies to support and nurture the entrepreneurial spirit among young individuals.

Entrepreneurship has been recognized as a key driver of economic growth and social advancement. Successful entrepreneurs contribute to job creation, technological advancements, and overall prosperity. Entrepreneurship fosters innovation and enables individuals to take risks and seize opportunities. Thus, promoting an entrepreneurial mindset among college students is vital for

both their personal growth and the socioeconomic development of a nation.

College years serve as a critical period for shaping students' attitudes, beliefs, and aspirations. By fostering entrepreneurial intentions during this stage, we can provide young individuals with the necessary knowledge, skills, and support to embark on entrepreneurial ventures. Furthermore, encouraging entrepreneurship among college students helps create a culture of innovation, resilience, and adaptability within educational institutions and society as a whole.

The main objective of this study is to investigate the mediating role of self-efficacy among college students in the relationship between the Big Five personality traits and entrepreneurial intention. The Big Five personality traits, namely extraversion, agreeableness, conscientiousness, emotional stability, and openness to experience, have been widely studied as predictors of various behaviors and outcomes. By examining the mediating role of self-efficacy, which refers to an individual's belief in their ability to succeed in specific tasks or situations, we aim to shed light on the importance of self-belief and confidence in fostering entrepreneurial aspirations. Self-efficacy has been found to be positively related to entrepreneurial intention as it enhances individuals' belief in their capabilities, their willingness to take risks, and their persistence in the face of challenges.

## 2. The Big Five Personality Traits

The Big Five personality traits, namely extraversion, agreeableness, conscientiousness, emotional stability, and openness to experience, have been extensively studied and applied to understand individual differences. These traits provide a framework for comprehending the various dimensions of human personality.

Previous research has demonstrated that specific personality traits are associated with entrepreneurial intentions. For instance, extraversion, characterized by assertiveness, sociability, and a preference for excitement, has been linked to higher levels of entrepreneurial intentions. Individuals with high extraversion are more likely to seek out social interactions and take risks, which aligns with the entrepreneurial mindset.

Agreeableness, characterized by kindness, cooperativeness, and concern for others, has also shown associations with entrepreneurial intentions. Research suggests that individuals high in agreeableness may be more inclined to establish ventures that contribute to social welfare or focus on cooperative endeavors, such as social entrepreneurship.

Conscientiousness, reflecting traits such as organization, responsibility, and perseverance, has consistently emerged as a predictor of entrepreneurial intentions. Individuals with high conscientiousness tend to possess strong self-discipline, work ethic, and goal-directed behavior, which are crucial attributes for successful entrepreneurial endeavors.

Emotional stability, sometimes referred to as neuroticism, denotes emotional resilience, calmness, and ability to handle stress. Studies have indicated that lower levels of emotional stability are negatively associated with entrepreneurial intentions. Entrepreneurs often face significant uncertainties and challenges, and individuals with higher emotional stability have greater capacity to cope with these pressures and persist in their entrepreneurial pursuits.

Openness to experience refers to the inclination to explore new ideas, embrace novelty, and appreciate diverse perspectives. This personality trait has shown positive associations with entrepreneurial intentions. Open-minded individuals are more likely to generate creative and innovative ideas, adapt to changing conditions, and seize opportunities, which are vital qualities for entrepreneurial success.

Within the context of college students, exploring the relationship between the Big Five personality traits and entrepreneurial intentions offers valuable insights. By understanding how personality influences entrepreneurial aspirations, educational institutions and policymakers can

design tailored interventions to foster entrepreneurial spirit among college students. Identifying the specific traits associated with entrepreneurial intentions in this demographic can contribute to the development of effective strategies for promoting entrepreneurship and supporting young aspiring entrepreneurs.

### 3. Self-Efficacy and Entrepreneurial Intention

Self-efficacy plays a crucial role in shaping an individual's entrepreneurial intentions. It refers to an individual's belief in their ability to successfully perform specific tasks or achieve desired outcomes. As a psychological construct, self-efficacy has been recognized as a significant factor in predicting entrepreneurial intention among individuals. This section delves into the significance of self-efficacy in entrepreneurship and its potential impact on college students' entrepreneurial intentions.

One of the key aspects of self-efficacy is its influence on goal-setting and goal-oriented behavior. Individuals with high self-efficacy tend to set ambitious goals for themselves and are more likely to persevere through challenges to achieve those goals. In the context of entrepreneurship, this trait becomes particularly relevant as aspiring entrepreneurs often encounter numerous obstacles and uncertainties. College students with a strong sense of self-efficacy are more inclined to set lofty entrepreneurial goals and are willing to put in the necessary effort and perseverance to attain them.

Self-efficacy also shapes an individual's confidence in the face of adversity and failure. Entrepreneurs often encounter setbacks and failures along their entrepreneurial journey, which can test their resilience and determination. Individuals with high self-efficacy are more likely to view failures as learning opportunities and are more willing to persist in their entrepreneurial pursuits. They maintain a positive outlook, possess internal motivation, and remain confident in their abilities to overcome challenges. In contrast, individuals with low self-efficacy may be deterred by failure and become less motivated to pursue entrepreneurial endeavors.

Furthermore, self-efficacy influences an individual's risk-taking propensity. Entrepreneurship inherently involves uncertainty and risk-taking. College students with high self-efficacy are more inclined to perceive challenges and risks as manageable and are thus willing to take calculated risks. They trust in their abilities to handle different situations and have confidence in their problem-solving skills. On the other hand, individuals with low self-efficacy may exhibit risk-averse behavior, being hesitant to engage in entrepreneurial activities due to their doubts about their abilities and fear of potential failure.

Moreover, self-efficacy positively affects an individual's level of persistence and resilience in the face of obstacles. Entrepreneurship requires tenacity and the ability to bounce back from setbacks. College students with high self-efficacy are more likely to persevere in the face of difficulties, as they believe in their capabilities to find alternative solutions and overcome challenges. This determination to persist even in challenging situations is vital for entrepreneurs as they navigate the complexities of starting and growing a business.

In summary, self-efficacy plays a significant role in shaping individuals' entrepreneurial intentions, particularly among college students. It influences goal-setting, confidence in the face of adversity, risk-taking propensity, and persistence. College students with high levels of self-efficacy are more likely to set ambitious entrepreneurial goals, view failures as learning opportunities, take calculated risks, and persist in their entrepreneurial pursuits. Recognizing the importance of self-efficacy in entrepreneurship can inform strategies and interventions to foster and support entrepreneurial intentions among college students, ultimately contributing to the cultivation of a vibrant and innovative entrepreneurial ecosystem.

#### 4. The Mediating Role of Self-Efficacy

The mediating role of self-efficacy in the relationship between the Big Five personality traits and entrepreneurial intention provides valuable insights into the underlying mechanisms that connect individual characteristics with entrepreneurial aspirations. This section examines the theoretical perspective underlying this mediation and presents hypotheses regarding the associations between the Big Five personality traits, self-efficacy, and entrepreneurial intention among college students.

Based on Bandura's social cognitive theory, self-efficacy is considered a crucial intermediary factor that influences an individual's behavior, choices, and aspirations. Self-efficacy refers to an individual's belief in their ability to successfully perform specific tasks or achieve desired outcomes. It plays a vital role in guiding individuals' actions and decisions, affecting their motivation, perseverance, and goal-setting. In the context of this study, self-efficacy is proposed as a potential mediator in the relationship between the Big Five personality traits and entrepreneurial intention.

Higher levels of extraversion will positively correlate with college students' self-efficacy and entrepreneurial intention<sup>[1]</sup>. Extraversion is characterized by assertiveness, sociability, and a preference for excitement. Individuals with high extraversion are more likely to possess a confident and outgoing demeanor, which contributes to their belief in their own abilities. This confidence translates into higher self-efficacy, leading to greater entrepreneurial intention among college students.

Greater agreeableness will positively relate to college students' self-efficacy and entrepreneurial intention. Agreeableness entails kindness, cooperativeness, and concern for others. Individuals high in agreeableness tend to be optimistic and possess strong interpersonal skills. This aids in their ability to build and maintain relationships, thereby increasing their self-efficacy. Furthermore, their collaborative nature fosters a positive attitude towards entrepreneurship and entrepreneurial collaborations.

Increased conscientiousness will positively associate with college students' self-efficacy and entrepreneurial intention. Conscientiousness is marked by traits such as organization, responsibility, and perseverance. Individuals with high conscientiousness exhibit self-discipline and a strong work ethic, leading to higher levels of self-efficacy. They are more likely to believe in their abilities and engage in entrepreneurial activities with a sense of duty and dedication.

Higher levels of emotional stability will positively correlate with college students' self-efficacy and entrepreneurial intention. Emotional stability, also known as neuroticism, reflects emotional resilience, calmness, and the ability to handle stress effectively. Individuals with higher emotional stability are more confident in their abilities to overcome challenges and setbacks. This increased self-belief contributes to higher self-efficacy, fostering greater entrepreneurial intention among college students.

Increased openness to experience will positively relate to college students' self-efficacy and entrepreneurial intention. Openness to experience signifies the inclination to explore new ideas, embrace novelty, and appreciate diverse perspectives. Individuals with a high level of openness tend to be more adaptable, creative, and curious. This openness promotes self-growth and confidence, leading to higher self-efficacy and increased entrepreneurial intention.

College students' self-efficacy will mediate the relationship between the Big Five personality traits and entrepreneurial intention. Self-efficacy is proposed as a mediator, acting as an intermediary factor through which the effects of the Big Five personality traits on entrepreneurial intention are transmitted<sup>[2]</sup>. The Big Five personality traits influence self-efficacy, which, in turn, impacts entrepreneurial intention among college students.

In summary, this section highlights the theoretical perspective based on Bandura's social cognitive theory, emphasizing the mediating role of self-efficacy between the Big Five personality

traits and entrepreneurial intention. The presented hypotheses propose positive associations between extraversion, agreeableness, conscientiousness, emotional stability, openness to experience, and college students' self-efficacy and entrepreneurial intention. Understanding these relationships contributes to a deeper comprehension of the psychological mechanisms underlying the development of entrepreneurial aspirations among college students.

## 5. Implications

Understanding the interplay between the Big Five personality traits, self-efficacy, and entrepreneurial intention has important implications for various stakeholders, such as educators, policymakers, and aspiring entrepreneurs. These findings offer valuable insights that can be applied to promote entrepreneurship among college students and cultivate a thriving entrepreneurial ecosystem. This section explores some potential implications and applications of these findings.

Educators play a critical role in shaping and nurturing the entrepreneurial mindset among college students. By recognizing the influence of personality traits and self-efficacy on entrepreneurial intention, educators can design targeted curriculum and programs to enhance these factors. For example, incorporating experiential learning activities, such as entrepreneurship courses, internships, and business plan competitions, can provide opportunities for students to develop and strengthen their self-efficacy, learn from real-world experiences, and enhance their entrepreneurial skills. Additionally, fostering a supportive and encouraging learning environment can help students feel more confident and empowered to pursue entrepreneurial endeavors.

Policymakers can also leverage this understanding to create an enabling ecosystem for entrepreneurship. Policies and initiatives can be designed to support and incentivize colleges and universities to develop entrepreneurship-focused curriculum and programs. By providing financial assistance, mentorship programs, and incubation support, policymakers can encourage and facilitate the development of entrepreneurial skills and intentions among college students. Furthermore, collaboration between educational institutions, industry, and government can foster an ecosystem that promotes entrepreneurial activities, knowledge exchange, and networking opportunities, creating a conducive environment for aspiring entrepreneurs to thrive.

The findings also have implications for aspiring entrepreneurs themselves. Understanding the role of personality traits and self-efficacy in shaping entrepreneurial intentions can empower individuals to reflect on their own strengths and areas for development. By recognizing their personality traits and enhancing their self-efficacy through self-confidence building exercises, goal-setting, and seeking mentorship and guidance, aspiring entrepreneurs can increase their belief in their skills and abilities, thus fostering greater entrepreneurial intention and motivation. Moreover, they can seek opportunities to build practical experience, network with industry professionals, and continuously learn and adapt to the ever-evolving entrepreneurial landscape.

In conclusion, the insights gained from understanding the interplay between the Big Five personality traits, self-efficacy, and entrepreneurial intention have practical implications for various stakeholders. By applying these findings, educators can design tailored programs to foster entrepreneurship among college students, policymakers can create a supportive ecosystem for aspiring entrepreneurs, and individuals themselves can utilize this knowledge to enhance their entrepreneurial intentions and pursue their ventures with increased confidence and determination. Ultimately, these efforts contribute to the growth and development of a vibrant and innovative entrepreneurial culture.

## 6. Conclusions

In conclusion, this study provides valuable insights into the relationship between the Big Five

personality traits, self-efficacy, and entrepreneurial intention among college students. By examining the mediating role of self-efficacy, we have highlighted the significance of self-belief and confidence in fostering entrepreneurial aspirations. Understanding the interplay between these factors has important implications for various stakeholders, including educators, policymakers, and aspiring entrepreneurs. Educators can design curriculum and programs that target the development of self-efficacy and entrepreneurial skills among college students. By incorporating experiential learning activities and creating a supportive learning environment, educators can nurture students' belief in their abilities and motivate them to pursue entrepreneurial ventures. The implications of this study also extend to the broader society. Nurturing an entrepreneurial spirit among college students can contribute to economic growth, job creation, and innovation. By equipping them with the necessary skills, knowledge, and mindset, we empower the younger generation to become future leaders and drivers of change.

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