

# Review and Comparison of Classical Entrepreneurial Intention Models

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**Abstract:** The study of entrepreneurial models carries significance in guiding the development of entrepreneurial activities. On the basis of a literature review, this paper reviews and analyzes six classic and widely influential entrepreneurial models: entrepreneurial event model (EEM), entrepreneurial intention model (EIM), revised EIM, theory of planned behavior (TPB), economic psychological model (EPM), and structural model of entrepreneurial intention (SMEI). This paper aims to discuss the similarities and differences of these entrepreneurial intention models and their applications in different contexts, which carries important theoretical and practical significance for further research on entrepreneurial behavior and intention.

**Keywords:** Entrepreneurship; Entrepreneurial intention; Intention model

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## 1. Introduction

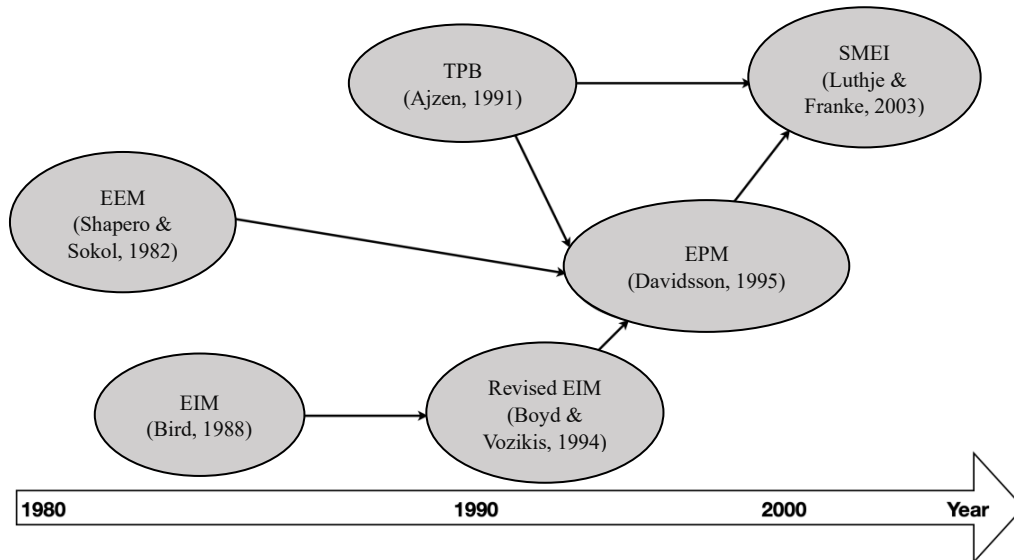
Entrepreneurship not only improves the severe employment situation and effectively contributes to both economic and social development, but also acts as an important medium for converting new technologies into products and services. Therefore, scholars have been thinking about a series of issues such as how to start a business, how to influence it, and how to successfully start a business. Existing research shows that intent is an important predictor of job-seeking activity and career choice. Intention toward an action reflects a person's motivation and enthusiasm for performing that action. Ajzen argues that the greater the intensity of an intention, the more likely the subsequent action will be <sup>[1]</sup>. Entrepreneurial intention is a commitment to the behavior necessary to carry out business activities. This shows that entrepreneurship is an intentional process and is a basic core dimension of entrepreneurship research <sup>[2]</sup>.

According to Bird, entrepreneurial actions are the direct result of entrepreneurial intentions, and because entrepreneurial intention has a significant impact on actual entrepreneurship, the entrepreneurial intention model has been the foundation for numerous studies on entrepreneurship (which encompasses both empirical and theoretical studies). An analysis and comparison of the representative models of entrepreneurial intention will be presented, describing how these models have developed through time, revealing the commonalities and differences between them, and opening up new ideas for in-depth research on entrepreneurial theory.

## 2. Review of entrepreneurial intention model

The changes in the entrepreneurial intention model are shown in **Figure 1**. Beginning in the 1980s, the field of research has developed six main models: (1) Shapero and Sokol's entrepreneurial event model (EEM) <sup>[3]</sup>; (2) Bird's entrepreneurial intention model (EIM) <sup>[4]</sup>; (3) Boyd and Vozikis's revised EIM model (revised

EIM with self-efficacy) [5]; (4) the theory of planned behavior, which was developed by Ajzen (TPB) [11]; (5) Davidsson’s economic psychological model (EPM) [6]; and (6) the framework for understanding entrepreneurial motivation developed by Luthje and Frankede (structural model of entrepreneurial intention, referred to as SMEI) [7]. These intention models provide a more complete picture of how entrepreneurs act, showing the antecedent variables of entrepreneurial intention formation and the influencing mechanisms that translate into entrepreneurial behavior.

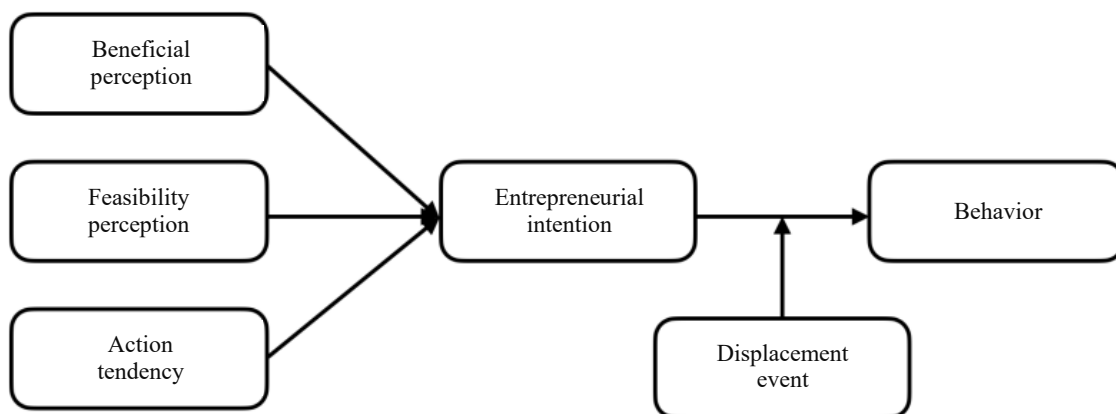


**Figure 1.** Changes in the entrepreneurial intention model [3]. Abbreviations: EEM, entrepreneurial event model; EIM, entrepreneurial intention model; EPM, economic psychological model; SMEI, structural model of entrepreneurial intention; TPB, theory of planned behavior.

## 2. Review of the entrepreneurial intention model

### 2.1. Entrepreneurial event model (EEM)

The initial model of entrepreneurship, as shown in **Figure 2**, was proposed by Shapero and Sokol in 1982. According to the model, there are three primary elements that have an effect on an individual’s intention to engage in entrepreneurial activity: beneficial perception (whether creating a new business is beneficial to the individual), feasibility perception (self-assessment of work ability and ability to practice one’s own goals and actions), and action tendency (the propensity to seize opportunities when they are presented). In addition, a displacement event will have an impact on the connection between an entrepreneur’s intention and the entrepreneur’s activity.

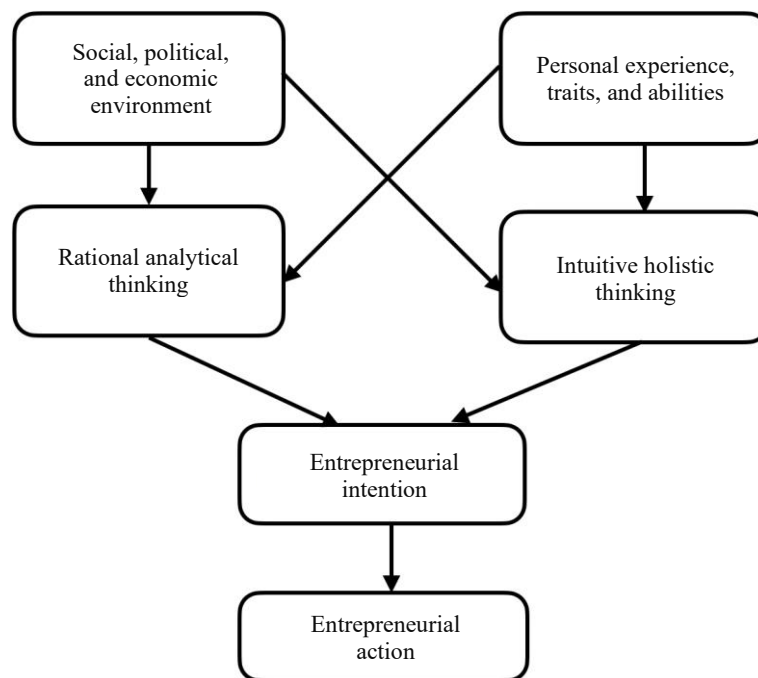


**Figure 2.** Entrepreneurial event model [3]

## 2.2. Entrepreneurial intent model (EIM) and revised EIM

### 2.2.1. Entrepreneurial intent model (EIM)

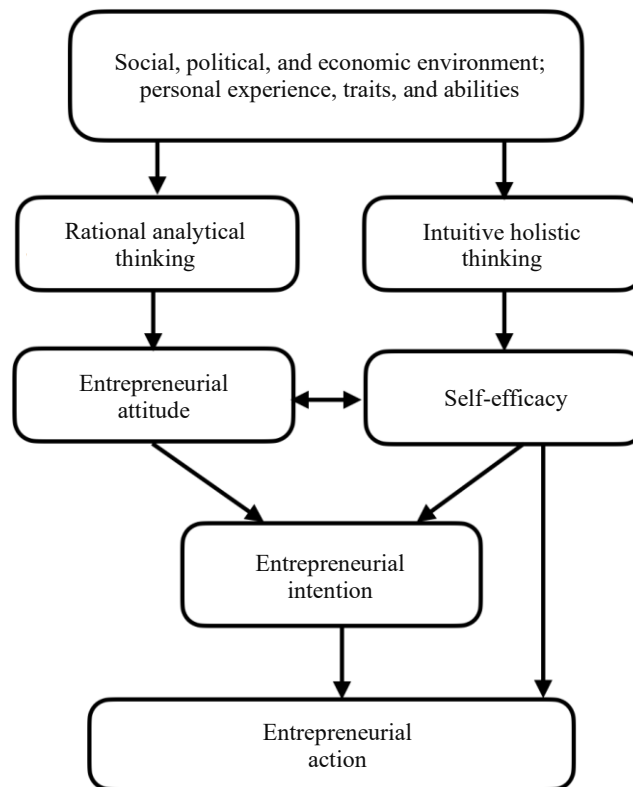
In 1988, Bird devised a model to describe human behavior, called the entrepreneurial intention model (EIM). This model was based on the cognitive theory, as shown in **Figure 3**. Bird defines entrepreneurial intention as “the intention or inclination to own one’s own business or start a new one.” According to the EIM model, personal and contextual factors influence entrepreneurial intention. Personal factors include entrepreneurial experience, characteristics, and abilities, while environmental considerations include social, political, and economic environments, as well as factors such as relocation, market shifts, and government regulation. Background influences include rational analytical thinking and intuitive holistic thinking, which in turn determine entrepreneurial intentions. Creating a business plan, evaluating opportunities, and other goal-oriented tasks that are necessary for starting a new company are all examples of these thought processes. In this model, entrepreneurial intent reflects a state of mind that helps entrepreneurs in putting their business ideas into action, yet surprisingly, no empirical studies have been found to test the EIM. The main reason is that it is challenging to formulate measures for the construction of “rational analytical thinking” and “intuitive holistic thinking.” Hence, there is also a lack of empirical testing of the revised EIM (covering all structures).



**Figure 3.** Entrepreneurial intent model <sup>[4]</sup>

### 2.2.2. Revised entrepreneurial intent model

The EIM model of the self-efficacy belief structure was developed by Boyd and Vozikis and built on Bird’s original EIM model. **Figure 4** depicts the revised EIM. According to Boyd and Vozikis, in order to predict entrepreneurial intentions and actions, self-efficacy is crucial. Self-efficacy adds information about cognitive intention formation. In the revised version, both rational analytical thinking and intuitive holistic thinking play a role in forming entrepreneurial intentions. Rational analytical thinking produces behavior-oriented attitudes toward goals, while intuitive holistic thinking leads to increased levels of self-efficacy. According to this model, the relationship between entrepreneurial intentions and entrepreneurial behavior is mediated by an individual’s sense of self-efficacy, in which this sense of self-efficacy is a product of cognitive thought processes.

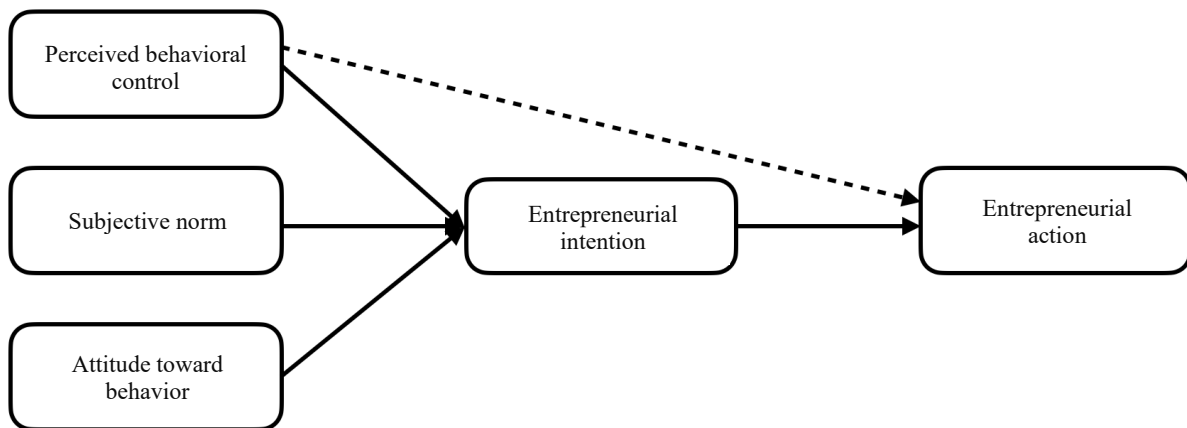


**Figure 4.** Revised entrepreneurial intent model <sup>[5]</sup>

### 2.3. Theory of planned behavior (TPB)

The theory of planned behavior (TPB) is shown in **Figure 5**. TPB is an extension of the rational action theory (TRA). Ajzen added the notion of perceived behavioral control to the theory of rational action. The definition of perceived behavioral control is an individual's perception of an action's ease of performance. Entrepreneurs use their past experiences to envisage the possible challenges and obstacles when performing a specific behavior, and then determine the necessary resources, opportunities, capabilities, *etc.*, for entrepreneurial implementation. Subjective norm is a term that describes the social pressure that people experience when doing certain things. It is related to the attitude of others, whether it encourages one to start a business. Entrepreneurial attitude is how someone feels about being an entrepreneur, which in turn depends on how they feel about the results they expect from being an entrepreneur. It is considered when deciding whether or not to embark on a business venture (that is, behavioral belief). If the individual thinks that entrepreneurship is beneficial, then the individual's attitude toward entrepreneurship will be positive; otherwise, the individual will have a negative attitude.

When it comes to the study of entrepreneurial intentions, the use of TPB is becoming an increasingly common methodology in the field of entrepreneurship. Developing countries, like Iran, have created and tested a conceptual model based on the TPB that combines internal personality factors with external situational factors to determine how they relate to motivation factors and entrepreneurial intentions. According to the results, entrepreneurial attitudes, subjective norms, and perceived behavioral control are all strongly linked to entrepreneurial intentions, with perceived behavioral control being the strongest link <sup>[8]</sup>. In 2020, Ahmed *et al.* surveyed the data of 348 graduates from eight universities in Pakistan and tested the positive effect of TPB between entrepreneurship education and entrepreneurial intention <sup>[9]</sup>.

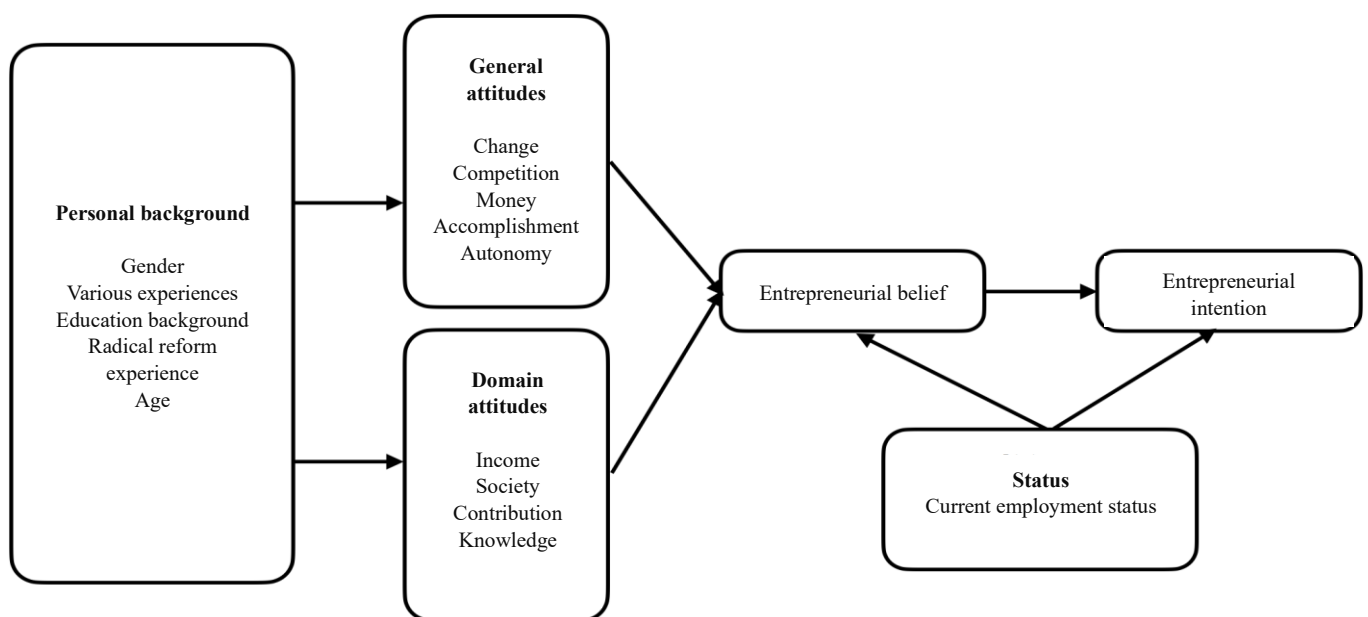


**Figure 5.** Theory of planned behavior <sup>[6]</sup>

#### 2.4. Economic psychological model (EPM)

Davidsson have put forward an economic psychological model of what compels people to start their own business. **Figure 6** shows what the model looks like. Davidsson made an effort, within the framework of this model, to combine pertinent aspects of previously published models in order to develop a model of students' intentions to engage in entrepreneurial activity. The primary difference from the previous model is that belief is the main determinant of intention. In Davidsson's model, it is assumed that both general and domain attitudes are affected by a person's background. General attitudes are about how a person is in general, while domain attitudes are about how a person feels about entrepreneurship in particular. In addition, the model takes into account situational or contextual factors. For example, it is assumed that current employment status affects beliefs and intentions.

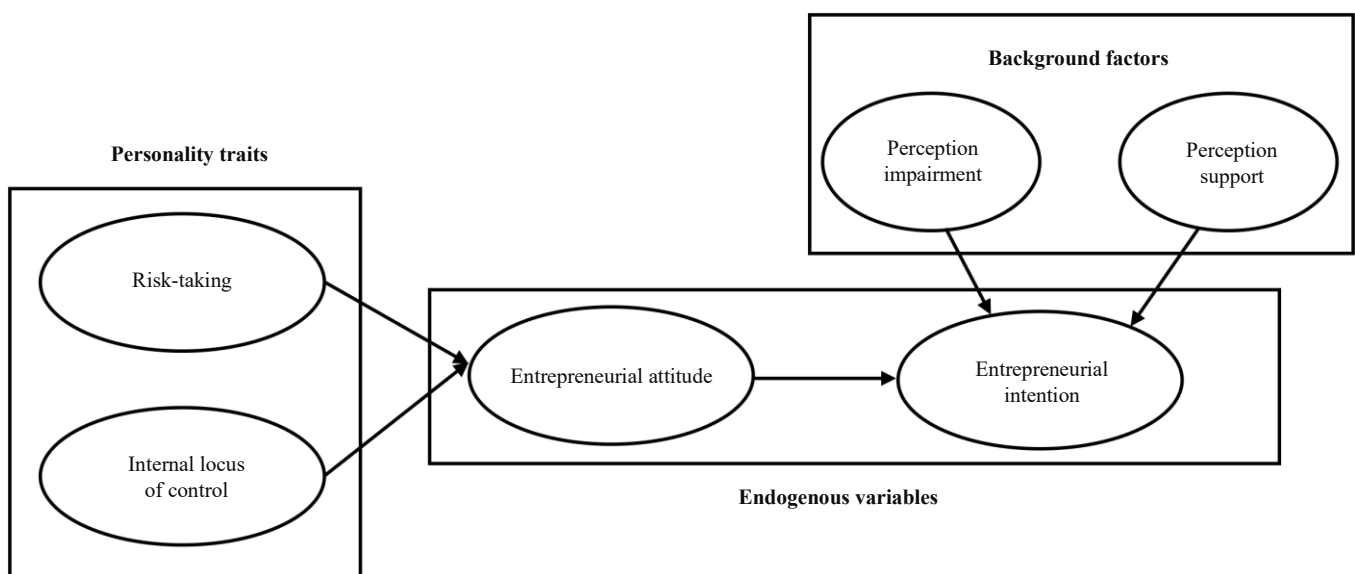
We contend that a person's general attitudes and attitudes toward a particular domain can reinforce the person's belief that reflecting entrepreneurial behavior is appropriate. The revised EIM and TPB along with this structure are used to describe perceived behavioral control over self-efficacy. Davidsson have conducted an experiment to test the model using a random sample of 1,313 Swedish individuals with age ranging from 35 to 40, and the results largely support the model. General attitudes and domain-specific attitudes have significant explanatory effects on beliefs and significant effects on intentions.



**Figure 6.** Economic psychological model <sup>[7]</sup>

## 2.5. Structural model of entrepreneurial intention (SMEI)

**Figure 7** illustrates the structural model of entrepreneurial intention, developed by Luthje and Franke, which takes into account the influence of attitudes on entrepreneurship. According to the model, attitudes act as mediators in the relationship between fundamental personality traits and certain entrepreneurial behaviors. The intention to launch new businesses is thought to be indirectly influenced by personality traits that influence entrepreneurial attitudes, such as risk-taking and internal controls. Additionally, the model emphasizes the importance of background factors. It looks at how background factors (supports and impairments) have a direct influence on the decision to start a business. In line with Luthje and Franke's research, Karimi's model takes into account of both intrinsic personality factors (such as the need for achievement, willingness to take risks, and internal control) and extrinsic background factors (such as perception impairment and support) in order to determine how they relate to motivational factors and entrepreneurial intentions.



**Figure 7.** Structural model of entrepreneurial intention <sup>[8]</sup>

## 3. Conclusion

First of all, every model is dynamic. All of these models, which place an emphasis on pre-entrepreneurship practice, have been created based on the self-efficacy theory and the attitude and behavior theory. Due to the changes in external factors and the passage of time, they are featured with dynamic changes, and external variables are thought to influence intentions inadvertently by influencing attitudes. These intention models, while using different approaches in explaining entrepreneurial intentions, do not appear to differ significantly.

These models have been created to describe entrepreneurial motivations, which is the second purpose. There is some commonality between EIM, two recently established models (EPM and SMEI), and other intent models. However, they provide little information on how entrepreneurial intention as a predictor of entrepreneurial action is formed at individual or social levels. EIM, for example, emphasizes rational and intuitive reasoning. The construction of attitudes, social norms, or perceived behavioral control is not included in the model. Furthermore, EPM and SMEI are primarily concerned with entrepreneurial attitudes and external or situational factors. They do not take into account the impact of social norms on the establishment of entrepreneurial intentions. Similarly, SMEI provides no information on the impact of individuals on their perceived ability to engage in entrepreneurial actions. In comparison to other models, EIM, EPM, and SMEI clearly lack empirical testing. On the other hand, EEM, revised EIM, and TPB have

been widely used in the field of entrepreneurship research.

Which intention model is better suited to explain college students' entrepreneurial intentions in the context of entrepreneurship education? Which model, in other words, may be used as the study's theoretical framework for analyzing how entrepreneurship education affects students' entrepreneurial intentions? These questions have led to comparisons among intentional models. Domestic scholars in the field of entrepreneurship should base themselves on local characteristics, abide by the law of market development, attempt to meet the market demand, and use foreign research results to design an entrepreneurial model that is suitable for our country's situation.

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### **Disclosure statement**

The authors declare no conflict of interest.

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