

Determinants of Youth Entrepreneurial Intention: A study of Management Undergraduates in Newly Established State Universities in Sri Lanka

R.M.C. Karunarathne^{1,*} and Y.M.W.G.P.K Udurawana²

*D Department of Business Management, Faculty of Management Studies,
Rajarata University of Sri Lanka, Mihintale, Sri Lanka^{1,2}*

*Corresponding author: karunarathne.rmc@gmail.com

Abstract

Entrepreneurship has become a crucial driver of economic growth, innovation, and employment across the globe. In Sri Lanka, entrepreneurship is more important due to its potential to reduce unemployment and boost economic growth. The government has launched several initiatives—such as establishing entrepreneurship development programmes, financial support schemes, and integrating entrepreneurship into curricula from school to university—to encourage youth engagement in entrepreneurship. Despite these efforts, evidence indicates that university graduates, particularly those from newly established state universities, show limited interest in pursuing entrepreneurship as a career. Although many studies have examined the factors influencing entrepreneurial intentions among university students, there remains a notable gap concerning management undergraduates at newly established state universities in Sri Lanka. Therefore, this study aims to identify the factors affecting youth entrepreneurial intentions within this specific group. Based on an extensive literature review, social, psychological, and institutional factors were identified as key variables influencing students' entrepreneurial intentions. This research employed a quantitative approach and used convenience sampling to gather data from 372 management undergraduates out of a total population of 11,607 students across seven newly established state universities in Sri Lanka. Data analysis involved descriptive statistics, correlation, and multiple regression methods. The reliability and validity of the measurement tools were verified. The findings demonstrated that social, psychological, and institutional factors each have a statistically significant positive influence on entrepreneurial intention. The findings extend existing knowledge by providing new insights into the determinants of entrepreneurial intentions among university students in developing economies. The study also provides directions for educational policymakers, academic institutions, and entrepreneurship development agencies to strengthen youth entrepreneurial ecosystems in Sri Lanka.

Keywords: entrepreneurial intention, institutional factors, management undergraduates, psychological factors, social factors