STUDENT ENTREPRENEURIAL SELF-EFFICACY AND PERCEPTIONS OF BUSINESS PLAN COMPETITION
(INTERACTIVE PAPER)

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Principal Topic

Increasingly, entrepreneurship education has become a heightened area of concentration in academia. Courses in entrepreneurship are taught at a majority of AACSB accredited institutions of higher education in the United States (Katz, 2007; Levenburg, Lane, & Schwarz, 2006; Honig, 2004). Currently, a primary means of assessment in entrepreneurial education consist of having students research, develop and write a business plan for a new venture (Katz, 2007; Honig, 2004).

In fact, business plan competitions have increased over the years (Honig, 2004). Sponsors have either been universities themselves or private industry (Honig, 2004). The intent of such competitions is assumed to enhance new venture creation. For instance, formal academic courses centered on entrepreneurship have been found to increase the entrepreneurial intentions of students (Zhao, Seibert, & Hills, 2005; Honig, 2004). Further, it has been demonstrated that business plan winners receive greater venture capital funding compared to ordinary entrepreneurial firms seeking capital directly from a venture capitalist (Katz, 2007). Therefore, several motivational factors may be at play prompting a student to enter a business plan competition.

Method

What prompts a student to have the motivational interest to enter a business plan competition? This is the pivotal research question. The theory of self-efficacy may provide key insights into its answer. Currently, 212 university undergraduate students enrolled in business courses have been surveyed from a Master’s I Carnegie Classified University in the mid-south of the United States. The survey instrument’s data reflect a measurement of entrepreneurial self-efficacy. This study also questions interest in entering a business plan competition specifically regarding money, feedback, and networking opportunities. Other data collected include demographic variables such as age, gender, ethnicity, major, and class standing.

Results and Implications

Previous ideology assumed that students who enter a business plan competition do so to gain capital for their venture. However, results demonstrate that networking and feedback opportunities rather than monetary awards prompt student interest in a business plan competition. Further, age and gender play key roles in determining interest in business plan competitions. These findings suggest that promotions of business plan competitions should focus on networking and feedback rather than monetary awards.

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