

## **Entrepreneurial Passion and Intention: Creativity and Perceived Behavioral Control as Mediators**

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### **Abstract**

*Entrepreneurial passion is an attribute of an entrepreneur that influences a lot of entrepreneurial actions. This study considered perceived behavioral control and passion of an entrepreneur for the determination of intentions of entrepreneurs; alongside entrepreneurial creativity was considered in the study to explain the relationship of passion and intention. It was a quantitative study whose results indicate positive but indirect connection among passion and intention of an entrepreneur through perceived behavioral control and also insignificant mediating relation of entrepreneurial creativity.*

*Keywords:* entrepreneurial passion, entrepreneurial intention, creativity, perceived behavioral control

### **Introduction**

Entrepreneurs have a leading role in launching new companies as well as in setting the trends for an early growth of companies in some cases (Baron & Hmieleski, 2018). Entrepreneurs choose to take on this position, and in this process of sprouting entrepreneurial intentions, they occupy the initial grounds (Biraglia & Kadile, 2017). Schlaegel and Koenig (2014b) argued that entrepreneurship is a planned, and a willfully controlled conduct, supporting the argument that starting up a company is a byproduct of intention. The entrepreneurial motive can be a good predictor of expected behavior towards developing a venture (Fayolle, 2007). This study aims at focusing on defining factors that imitate the process of entrepreneurial intention directly or indirectly. Entrepreneurial Passion (EP) has been considered as causing a positive relationship between entrepreneurial behavior and the intentions for the venture success (Rauch & Frese, 2007). Entrepreneurs are passionate and this enthusiasm plays an important role in entrepreneurial success. In context of theory of planned behavior (TPB), the pattern of voluntary act is seen as the cause of a typical behavioral action, whereas the case of intention is primarily caused by the perceived behavioral control (PBC) which even drives the behavioral intentions. Entrepreneurial Creativity (EC) is important for generation of new ideas and is crucial factor required in the entrepreneurial cycle. This paper addressed this gap that how EP can impact positively on EI in context of EC and PBC

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### Literature review

Entrepreneurial passion (EP), Entrepreneurial Intention (EI), Entrepreneurial creativity (EC) and Perceived Behavioral Control (PBC) While behavioral tendencies supported by reason of particular behaviors are fundamentally produced by a positive emotion named “passion” (Cardon & Stevens, 2009). Entrepreneurs overcome barriers, persist in the event of failure with help of EP. EP is also used for motivation and transforming ideas into reality. Ajzen (2011) defined behavioral intention as “indications of a person’s readiness to perform a behavior”. Entrepreneurial Commitment (CEC) is characterized by the mindset that a person is fully focused to create business venture (Welsch, Liao, Pistrui, Oksöy, & Huang, 2003). The next stage is nascent entrepreneurship (NE) (Van der Zwan, Thurik, & Grilo, 2010).

EI guides entrepreneurial action towards portrayal of entrepreneurial behavior (Fini, Grimaldi, Marzocchi, & Sobrero, 2012) that may lead to choosing self-employment over paid employment. Ajzen (1991) introduced PBC as “person’s perception of the ease or difficulty of performing the behavior of interest”. In the earlier submission, Ajzen (2002) perceived PBC as a one dimensional construct. Creativity plays a vital role in management (Proctor, 1991) of firms and supports for continuous flow of innovations (Sternberg, O’Hara, & Lubart, 1997) which are important for entrepreneurship.

### *Conceptualization Framework*

EP and EI: EP is common across entrepreneurs (Cardon, Gregoire, Stevens, & Patel, 2013) and individuals possessing it exhibit positive feelings towards the entrepreneur activities (Cardon & Stevens, 2009). Individual’s interest is reflected in EI while starting a business and during the process of choosing an alternative career path rather than a regular employment (Fitzsimmons & Douglas, 2011). Therefore, it is more rational to link EP of an individual leading it to an entrepreneurial career. Thus, the study hypothesizes that: EP and PBC: Beyond the straight influence of EP on EI, the presence of EP is also expected to affect EI indirectly through PBC. Particularly, passionate people are more prone to form their skill set in the domain of their interest that increases their capabilities and confidence (Baum & Locke, 2004). EP has also been reported to enhance competency and confidence in person’s behaviors and motives (Cardon et al., 2013).

PBC and EI: Previous literature indicates support for the theory of planned behavior (TPB) as an effective paradigm for describing and interpreting the creation and action of EI (Schlaegel & Koenig, 2014b) encouraging authors to untangle role of PBC in context of EI. EP, PBC and EI: Previous literature indicates towards the role of PBC as a mediator that associate parameters of psychology with the outcomes of entrepreneurship such as Karimi et al. (2017)

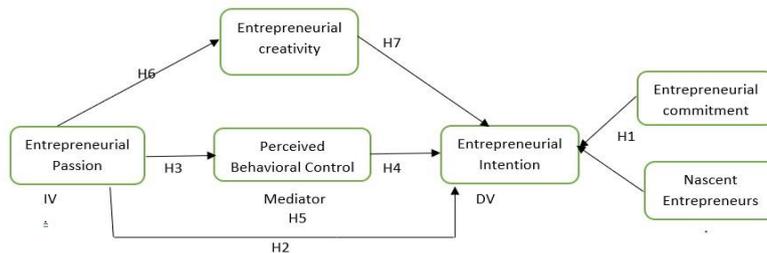
who studied PBC as mediator among the attributes of personality and the EI. Intrinsically, PBC is potentially proximal EI predictors, while excitement is a more distant indicator. Based on the literature discussion, there is a prediction of indirect relationship among EP and intention through PBC. Therefore, the study proposes that: EP and EC: Shane, Locke, and Collins (2003) proposed that entrepreneurial motivation would be facilitated by passion, i.e. opportunities recognition, ideas development, and the implementation. Liu, Chen, and Yao (2011) reported that the effects of the autonomy of organization and orientation towards the autonomy of individual on creativity is mediated by passion. Similarly, the work of Luh and Lu (2012) shows that harmonious passion has a positive association with the achievement of creativity. Cardon, Wincent, Singh, and Drnovsek (2009) indicated that passion, and particularly invention passion, impacts problem-solving with creativity in that manner that individual pursues innovative and creative course of act.

EC and EI: Ability to identify selection the appropriate opportunities for forming a new business is important (Scarborough & Cornwall, 2011). Connection between business opportunity and creativity has been reported (Lumpkin, Hills, & Shrader, 2003) while creative individuals tend to utilize more significant strategies in frustrating situations (Falat, 2000).Feldman and Bolino (2000) concluded in their work, which is related to the patterns of career of those who are self-employed, that people who have strong creativity present in their personalities were motivated to be self-employed.

*Theory of Planned Behavior*

The theory of Planned Behavior proposed by (Ajzen, 1991) has been indicated to predict the behavior and entrepreneurial intentions Schlaegel and Koenig (2014a). Kautonen, Van Gelderen, and Fink (2015) suggested the researchers to enhance the specificity of the TPB constructs in entrepreneurship it has been proposed that it could significantly enhance the explanatory power and scope of TPB in constructing the behavior of EI. Based on the literature discussed, following conceptual framework is proposed.

*Fig. 1. Conceptual Framework*



Following hypothesis are proposed for this study.

*H1. Nascent entrepreneurship and Commitment to an entrepreneurial career represent different stages in the formation of entrepreneurial intention.*

*H2. Entrepreneurial passion positively relates to entrepreneurial intentions.*

*H3. Entrepreneurial passion will have a positive relation to perceived behavioral control.*

*H4. Perceived behavioral control will relate positively to intentions for entrepreneurship.*

*H5. Perceived behavioral control mediates the positive relationship present among entrepreneurial passion and entrepreneurial intentions.*

*H6: The more the individual is passionate, the more is the level of creativity.*

*H7. Those individuals who have positive approach towards Entrepreneurial creativity are more expected to develop high entrepreneurial intentions.*

## **Methodology**

### *Research Design*

A quantitative cross-sectional descriptive research was conducted for the study. Administered survey technique was utilized to gather data. PLS algorithm and Bootstrapping were used for the measurement of the goodness of fit of the proposed model and to perform the required analysis. Non-probability convenience sampling was used to collect data. Postgraduate and undergraduate enrolled in different degree programs that could have a consideration about taking entrepreneurship from four universities were chosen as research participants of this study. 247 responses were found fit for analysis.

### *Measures*

Scale of 4 indicators of entrepreneurial passion and 10 indicators of entrepreneurial intension were adapted from the study of (Cardon et al., 2013) and (Vamvaka, Stoforos, Palaskas, & Botsaris, 2020). For the mediating variables of this study a scale of 6 indicators of PBC and 3 indicators of EC were adapted from the research of (Liñán & Chen, 2009) and Zampetakis and Moustakis (2006) respectively. All questions for five key constructs were scaled on a five-point Likert scale which starts from strong disagreement to strong agreement. Those factors who have outer loadings less than 0.5 are considered insignificant, so two items of EP with outer loading 0.31 and 0.356 were deleted from the model. One item of PBC having outer loading 0.45 was also deleted.

**Results**

Structural model is predicted using PLS 3.3. According to Falk and Miller (1992) acceptable values of R2 are those which are equal to 0.1 or more. Variance Inflation factors (VIF) examination showed that model does not have the bias multicollinearity. The values of VIF are between 1.086 and 4.35, below 5.0 the proposed cut-off point.

*Measurement Model Evaluation*

Construct reliability was established through Cronbach’s alpha and rho\_A values detailed in Table 1 which were found to surpass the threshold (>0.7). loading of items exceeded 0.5 confirming convergent validity Hair (2010). For each of the factor average variance exerted (AVE) has also surpassed 0.5. HTMT ratio was run on PLS to check Discriminant validity.

**Table 1. Validity and reliability**

	Cronbach's Alpha	rho_A	CR	AVE
EI	0.905	0.908	0.922	0.545
EP	0.894	0.912	0.913	0.517
CEC	0.915	0.919	0.935	0.706
EC	0.778	0.808	0.869	0.689
NE	0.870	0.875	0.911	0.718
PBC	0.764	0.769	0.849	0.584

**Table 2. Hetrotrait Monotrait Ratio (HTMT)**

	EI	EP	CEC	EC	NE	I
Entrepreneurial Intention						
Entrepreneurial Passion	0.566					
Entrepreneurial commitment	1.008	0.493				
Entrepreneurial creativity	0.587	0.402	0.565			
Nascent Entrepreneurs	0.909	0.501	0.566	0.440		
Perceived Behavioral Control	0.779	0.571	0.596	0.599	0.816	

**Table 3. Results of hypothesis testing**

	STDEV	T Statistics	P Values
EP -> EI	0.001	0.715	0.475
EP -> EC	0.072	2.775	0.006
EP -> PBC	0.047	6.974	0.000
CEC -> EI	0.019	35.398	0.000
EC -> EI	0.001	1.679	0.094
NE -> EI	0.020	23.596	0.000
PBC -> EI	0.072	4.8	0.000

All the results are showing validity except the results of CEC and NE which are close to 1. If the results of HTMT are close to one, then it is the indication that they are not valid just as the case with CEC and NE which are also generating insignificant results of hypothesis.

*Hypotheses Testing*

For the measurement of goodness of fit of the proposed model to the data, PLS algorithm and Bootstrapping was used. Results are given in table 2 with mediating variables. Results indicate that data is in the support of H1, H3, H4, H5 and H6 but does not support H2 and

H7. H1 investigated that CEC and NE are the two distinct stages of EI and results with P value 0.00 support this notion. A positive significant relationship among EP and PBC and PBC and EI has been observed. Which means data support H3 and H4. Not a direct and significant positive association between EP and EI ( $\beta = 0.001$ ,  $t = 0.715$  and  $P = 0.475$ ) has been indicated by study results, rejecting H2. The significant positive association among EP and PBC and PBC and EI also indicates that the relation of EP and EI is mediated by PBC, thus supporting H5. Positive relation of EP and EC indicates that more the individual is passionate the more he will be creative, supporting H6 but the relationship between EC and EI is not positive ( $\beta = 0.001$ ,  $t = 1.679$  and  $P = 0.094$ ) therefore showing that data do not support H7.

### Discussion

The investigation of the effect of EP on different factors and actions have been done by many studies. This study aimed to investigate the impact of passion and different parameters on Entrepreneurial Intention. Basically, this study idealized to investigate that whether EP impacts EI and whether the influence is direct or indirect, within the light of TPB (a theory of planned behavior). Results indicated the significant correlation of PBC with EI, showing the predictive ability of PBC. Analysis of the results indicated that EP has indirect relation with intention i.e. it does not affect EI directly but through PBC. Which means that the relationship of EP and EI is mediated by PBC, indicated that students with higher degree of EP, could perceive that they have more capability to become entrepreneurs. The results of this study's results support the work of (Fishbein & Ajzen, 2011) and (Karimi, 2020). Results of this study contribute to EI literature by focusing on formation of intention procedure and highlighting importance of emotional (passion) and cognitive (PBC). Fernandez et al (2019) work also support these findings. According to (Amabile, 1983), creativity is the result of different traits of personality as well as the skill set of relevant creativity. This study also analyzes the link between EP, EC and EI. Study itemized creativity within EP concept and also within the concept of intention. Results showed that EP is linked to creativity, but EC is not linked with entrepreneurial intention. Which indicates that the indirect link of passion and intention is not explained by creativity. In other words, those individuals who are passionate, will be more creative, showed consistency with the findings of the work of (Campos, 2016). But creative person cannot necessarily develop strong intention to start his own business as also contended by (Zampetakis & Moustakis, 2006). The study highlights the important role of creativity between the relationship of EP and EI.

#### *Theoretical and practical implication*

This study underlines the role of passion to understand the future intentions of individuals about new business startups or self-

employment. This study enhances the literature of passion and intention in many aspects. Firstly, through the proposed model, this study incorporates EP, PBC, EC and EI in one model, which have been researched in bit and pieces earlier. The study also provides insight about the role of PBC and EC in the relation of EP and EI). Secondly, creativity is an important part in entrepreneurial process (Moustakis and Zampetakis, 2006) but limited literature is available in the context of this study. This study analyzes the mediating role of creativity in EP and EI relationship. This study also contributes by analyzing the constructs in developing country where such literature is lacking (Hans, Su and Zhai; 2015). Practical implication of this study is more focused on education programs and training of future and present entrepreneurial minds. Academicians and policy makers are suggested to pay attention on the discussed constructs while designing the syllabus and edagogical techniques which could lead towards more influential entrepreneurial program.

#### *Limitations and future research*

Although this study provides insight about Entrepreneurial Intention, but it has some limitations. First, this study is conducted in a single country, Pakistan and from a single source, university students. Future studies could use sample of individuals who have recently started their business or those are enrolled other entrepreneurial programs other than those offered by universities. Second, this study is based on cross sectional data. Future researches could conduct longitudinal study. Future researches could use EP as a moderator or mediator to investigate its relationship with EI as well as some other behavioral factors could be studied as mediator like self-efficacy or attitude etc.

#### *Conclusion*

EP (emotional factor) is considered as the factor which impacts on the formation processes of entrepreneurial intention. Strong effect of EP on PBC and the indirect effect on intention shows that it should be the focus point for entrepreneurial supporters to encourage individuals having intention to be an entrepreneur and to enable them to discover and embrace their passion and unveil new business opportunities which makes them more passionate towards their goal of becoming entrepreneur. The findings can be helps educators as well as managers to devise such programs that could develop passion in individuals and effects on their behaviors and cognition so that they could take best entrepreneurial decisions.

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