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RURAL YOUTH ENTREPRENEURIAL ASPIRATION: AN ASSESSMENT OF TPB AND SELF-EFFICACY

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ABSTRACT

This study examines the factors influencing entrepreneurial intention among rural youth in Malaysia, focusing on the roles of attitude, perceived behavioural control, subjective norms, and self-efficacy within the Theory of Planned Behavior (TPB). Hence, TPB framework is proposed to be applied into rural contexts, it explores how self-efficacy interacts with psychological and social factors to shape entrepreneurial aspirations This study employed a quantitative approach, where valid data from 346 respondents were collected through an electronic survey over eight weeks. The subsequent analysis conducted with SPSS 24 and SmartPLS 4.0, tested ten proposed hypotheses. The findings reveal significant positive correlations between all three attitudinal factors (attitude, subjective norms, and perceived behavioural control) and entrepreneurial intention, with self-efficacy identified as a key mediator. Despite potential reservations about entrepreneurship, rural youth with higher self-efficacy are more likely to pursue entrepreneurial activities, emphasizing the importance of self-belief in fostering entrepreneurial success. The study highlights managerial implications, advocating for targeted self-efficacy enhancement programs such as entrepreneurship training and mentorship, as well as policies that provide access to resources and support networks tailored to rural youth. However, a limitation of the study is the lack of exploration into strategies for building self-efficacy. Future research should explore innovative methods, such as virtual reality (VR) simulations, to further enhance self-efficacy and entrepreneurial intentions.

Keywords: Entrepreneurial intention; self-efficacy; rural youth; theory of planned behavior

1.0 INTRODUCTION

Entrepreneurship is commonly seen as a method to improve employment prospects and promote social and political stability. Entrepreneurship provides individuals with the chance to achieve financial autonomy, amass riches, and indulge in a lavish way of life. It has a vital role in promoting economic innovation and generating significant job and career progression opportunities (Urbano and Aparicio, 2016; Ambad and Damit, 2016; Shafiu et al., 2020). The Malaysian government has placed a high importance on investing in entrepreneurship and fostering economic growth (Ismail et al., 2018). It is important to enhance individuals' understanding of entrepreneurship as a viable career option.

Additionally, university graduates are seen as a crucial cohort of individuals who have the capacity to establish their own firms (Ashour, 2016; Bazkiaei et al., 2020). Despite the increase in the number of colleges and graduates in Malaysia, the employment opportunities for them are uncertain (Woo, 2015). The concerning data exposes a harsh truth, as over 500,000 individuals with degrees are struggling to find job, and a substantial 40% of them are experiencing inadequate employment (Awani, 2023). Although there has been a notable 30% rise in youth entrepreneurship from 2014 to 2023, a considerable proportion of graduates, about 90,000, continue to be jobless, highlighting the ongoing nature of the problem (Awani, 2023).

However, a staggering 75% of graduate entrepreneurs remain uninformed about the available government assistance programs (Awani, 2023). This lack of awareness poses a substantial barrier to leveraging governmental support for entrepreneurial ventures. Additionally, there is a noteworthy concern regarding low entrepreneurial aspirations among rural youth. The prevalent perception among this demographic often categorizes entrepreneurship as a supplementary income or small-scale endeavor, contributing to subdued ambitions within the entrepreneurial landscape. Addressing these issues is crucial for unlocking the potential of the Malaysian youth, fostering sustainable employment, and promoting a more robust entrepreneurial ecosystem in the country.

Although there has been a positive increase in the number of young entrepreneurs, just a mere 20% of these firms are able to sustain and prosper annually (Awani, 2023). Furthermore, the previous research reveals a concerning absence of entrepreneurial ambitions among rural youth, who frequently view entrepreneurship as a small-scale enterprise or a secondary source of income (Chan et al., 2011). The obstacles not only hinder personal career opportunities but also contribute to wider economic and societal problems, requiring a thorough examination of the underlying causes and possible remedies to tackle this intricate situation.

Based on the preceding discussion, study finds that rural youths rely more on their own capabilities to initiate their own businesses, rather than relying on government program (Ridzwan et al., 2021). Government efforts and assistance program frequently encounter difficulties in efficiently reaching remote rural regions, hence limiting young entrepreneurs' access to resources and training (Akhtar et al., 2018). They use pre-existing networks of relatives, acquaintances, and members of the community to get assistance, guidance, and cooperative resolutions (Akhtar et al., 2018). Hence, the study utilized Theory of Planned Behavior (TPB) to comprehend the elements that influence entrepreneurial aspirations of youths living in rural areas. In addition, this study pursued to investigate the correlations between self-efficacy and entrepreneurial intention, specifically among youths living in rural areas. The research objectives are specified as follows:

i. To analyze the correlation between attitude, perceived control, and subjective norms in connection to rural youth entrepreneurial intention.

ii. To analyze the correlation between attitude, perceived control, subjective norms with self-efficacy.
iii. To analyze the correlation between self-efficacy and rural youth entrepreneurial intention.
iv. To examine the mediating role of self-efficacy in the correlation between attitude, perceived control, and subjective norms with rural youth entrepreneurial intention.

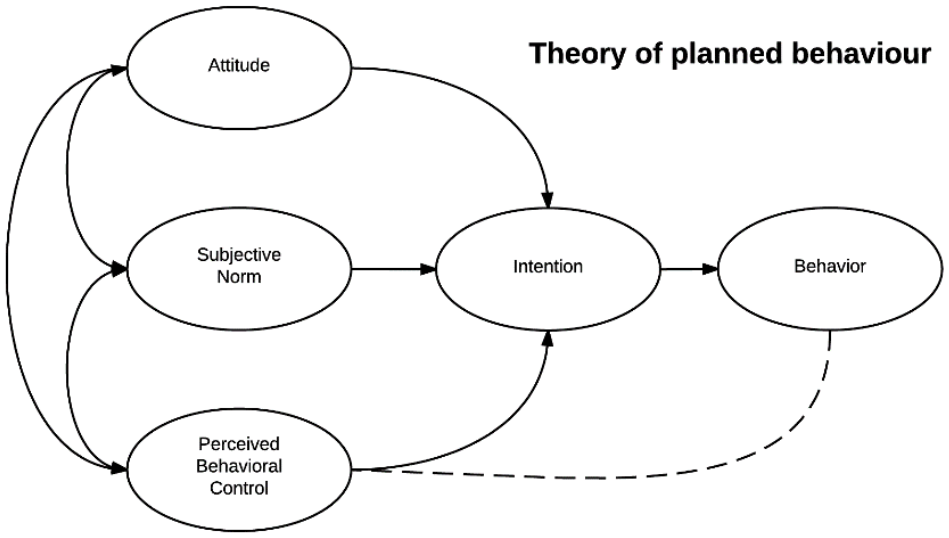
2.0 THEORETICAL PREMISE AND HYPOTHESES DEVELOPMENT

2.1 Theory of Planned Behavior

Theory of planned behavior (TPB) states that an individual's intention and behavior are impacted by three distinct attitudinal factors: subjective norm, perceived behavioral control, and attitude towards the behavior (Ajzen, 1991). Attitude towards conduct pertains to the subjective assessment individuals make regarding the execution of a specific behavior, whether it is seen favorably or unfavorably. Subjective norms pertain to the impact of social groups on an individual's decision-making over whether or not to participate in a certain activity. Perceived behavioral control, as the third factor influencing intentions, refers to an individual's belief in their ability to start a new business endeavor.

The study context that has outlined, which concerns the lack of motivation for entrepreneurship and limited awareness of government support among rural young in Malaysia, is directly connected to the TPB developed by Icek Ajzen (1991). In addition, TPB states that an individual's intention to participate in a certain activity is impacted by three main components, one of which is their attitude towards the conduct. This concerns an individual's thorough evaluation of the potential benefits and disadvantages of starting a business venture. Subjective norms refers to an individual's perspective on the endorsement or disapproval of important persons (such as family, friends, and community) over their choice to pursue entrepreneurship. Finally, we considered the element of perceived behavioral control which indicates the person's belief in their ability to overcome obstacles and successfully start a business.

We expected to get a deeper comprehension of the factors that influence the entrepreneurial intentions of rural adolescents by employing the TPB model in this study. Figure 1 presents framework for TPB.



Source: Ajzen (1991)
Figure 1: *Theory of Planned Behavior*

2.2 Rural Youth Entrepreneurial Intention

Rural youth entrepreneurial intention refers to the inclination or tendency of young individuals residing in rural regions to initiate and establish their own enterprises (Ajzen, 1991). The level of intention is a dependable indicator of one's actual behavior, indicating that people with more robust entrepreneurial aspirations are more inclined to participate in entrepreneurial activities (Krueger et al., 2000). Entrepreneurial intention is a critical determinant in the decision-making process and plays a pivotal part in an individual's decision to explore new business endeavors. It is often regarded as the most reliable indication of entrepreneurial-focused conduct (Ajzen, 1991). This study aimed to investigate the entrepreneurial ambition of young individuals residing in rural regions. This pertains to the chance or likelihood of these people initiating a new business venture. To successfully inspire and empower rural youth to pursue entrepreneurial activities, it is crucial to comprehend the elements that impact their intention.

2.3 Attitude

The mentality of an entrepreneur has a significant impact on their goals and objectives. People's attitudes are shaped by their cognitive assessments of the choice to engage in a certain activity that may either encourage or discourage entrepreneurship (Vamvaka et al., 2020). Evaluating the outcomes strengthens one's belief, and the resulting value is utilized to gauge one's attitude towards conduct. Xi and Cheng (2017) found that individuals are more likely to engage in an activity if they have a good perception of it.
Attitude is the primary independent variable that influences entrepreneurial intention. This pertains to an individual's comprehensive assessment of entrepreneurship, considering both its favorable and unfavorable features (Ajzen & Fishbein, 2005). Rural youths may possess unfavorable preconceptions linking entrepreneurship with volatility, substantial risk, or restricted earning prospects (Akhtar et al., 2018). Insufficient exposure to accomplished entrepreneurs or lack of access to reliable information might lead to an ill- informed and potentially unfavorable outlook on entrepreneurship (Zhao et al., 2005). Assessing the views prevalent among rural youths is essential for comprehending potential obstacles to their entrepreneurial ambitions and formulating interventions that might alter perceptions in a favorable manner. Therefore, we suggested:

H1: There is a positive relationship between attitude and rural youth entrepreneurial intention

2.4 Perceived Control

Perceived Control is a crucial factor that influences the goals of young entrepreneurs. It encompasses individuals' opinions of how easy or difficult it is to participate in entrepreneurial activities (Vamvaka et al., 2020). In essence, the more an individual's belief in their capacity to achieve success, the greater their motivation to become entrepreneurs will be. The propensity of young individuals to initiate a business is significantly influenced by their perception of possessing the necessary abilities and talents to do so (Ebewo et al., 2017).

Perceived behavioral control denoting an individual's confidence in their capacity to effectively overcome challenges and initiate a commercial venture (Ajzen, 1991). Restricted availability of capital, training, and infrastructure in rural locations might impede the self-assurance of young individuals in their capacity to initiate prosperous enterprises (Akhtar et al., 2018). In addition, experiencing a lack of critical business skills and expertise might further diminish their felt influence over the entrepreneurial process (Zhao et al., 2005). Assessing the precise factors that impact the perception of control among rural youth can provide valuable insights for designing initiatives and materials that target areas of limited understanding, enhance

competencies, and eventually enable them to follow their entrepreneurial aspirations with heightened assurance. Based on the above discussion, we expected:

H2: There is a positive relationship between perceived control and rural youth entrepreneurial intention

2.5 Subjective Norms

Subjective norms refer to an individual's personal perceptions regarding social standards, the opinions of others, and the resulting tendency to conform to these norms (Ham et al., 2015; Doekhie et al., 2020). Subjective norms pertain to a belief system that has a normative impact on an individual's inclination to either conform to or diverge from particular activities. Individuals are more likely to engage in a certain behavior when they perceive the importance of others' endorsement and when they are driven to meet the expectations of those individuals (Ajzen, 2015). People's performance, particularly their entrepreneurial abilities, can be impacted by the perspectives of individuals in close proximity to them (Utami, 2017).

The subjective norm pertains to an individual's impression of whether significant persons (such as family, friends, and community) express approval or disapproval of their decision to become an entrepreneur (Ajzen, 1991). Rural communities frequently priorities stable jobs over starting new businesses, which can lead to a prevailing subjective norm against entrepreneurship and dissuade young persons from following their aspirations. The absence of prosperous entrepreneurial figures in rural regions exacerbates the societal expectations, hence diminishing the prevailing subjective norm that supports entrepreneurship (Chen et al., 2015). Hence, we proposed:

H3: There is a positive relationship between subjective norms and rural youth entrepreneurial intention

2.6 Self-Efficacy

Self-efficacy is the belief a one has in their own capability to successfully overcome obstacles and achieve goals (Bandura, 1977). Self-efficacy is the strong belief an individual has in their own ability to successfully do a certain activity. An individual with high self-efficacy exhibits a robust conviction in their competence to accomplish a task effectively, irrespective of any hindrances or difficulties. Self-efficacy plays a vital role in employee motivation by instilling a conviction in their capability to achieve goals or desired results (Rahmi, et al., 2014).

High self-efficacy helps alleviate negative attitudes and decrease anxiety commonly linked to entrepreneurship by fostering a strong feeling of confidence and capability. Therefore, those who possess a high level of self-efficacy are more inclined to exhibit a favorable and optimistic attitude towards entrepreneurship (Boyd and Vojak, 2007). Traditional, individuals with high self-efficacy are able to withstand social pressure and pursue their entrepreneurial goals, especially in environments where traditional norms discourage entrepreneurship (Chen et al., 2015). Based on the above discussion, we hypnotized:

H4: There is a positive relation between self-efficacy with rural youth entrepreneurial intention
H5: There is a positive relationship between attitude with self-efficacy
H6: There is a positive relationship between perceived control with self-efficacy
H7: There is a positive relationship between subjective norms and self-efficacy

2.7 Self-Efficacy as a Mediator

Incorporating self-efficacy as a mediator conveys the belief of one's ability to start and run a business. We proposed self-efficacy mediates the relationship between perceived behavioral control and entrepreneurial

intention. High self-efficacy can lead to a more positive attitude toward entrepreneurship because the individual believes in their capability to overcome challenges and achieve success. Youth with high self-efficacy may feel more confident in gaining social support or resisting negative social pressures, thus positively influencing their entrepreneurial intentions. Studies have found that rural youths rely more on their own capabilities to initiate businesses rather than on government programs (Ridzwan et al., 2021). This reliance is partly because government efforts often struggle to effectively reach remote rural areas, limiting access to resources and training (Akhtar et al., 2018). Furthermore, rural youth often use pre-existing networks of relatives, acquaintances, and community members for assistance, guidance, and cooperative solutions (Akhtar et al., 2018). Hence, individuals are more likely to perceive entrepreneurial endeavors as achievable and within their control by strengthening self-efficacy. This increased confidence and sense of capability directly contribute to stronger entrepreneurial intentions and a greater likelihood of engaging in business activities. The link described above has been proposed in the following way:

H8a: Self-efficacy mediates the relationship between rural youth entrepreneurial intention and attitude
H8b: Self-efficacy mediates the relationship between rural youth entrepreneurial intention and perceived control
H8c: Self-efficacy mediates the relationship between rural youth entrepreneurial intention and subjective norms.

3.0 CONCEPTUAL FRAMEWORK

The objective of this study is to assess the determination of young entrepreneurs in rural areas, specifically examining the influence of self-efficacy as a mediator. Furthermore, this study aimed to ascertain the correlation between several factors that influence the intention of rural young entrepreneurs, considering all relevant variables. The below diagram presents a succinct overview of the pertinent literature that was examined before. Figure 2 presents the research framework for this study.

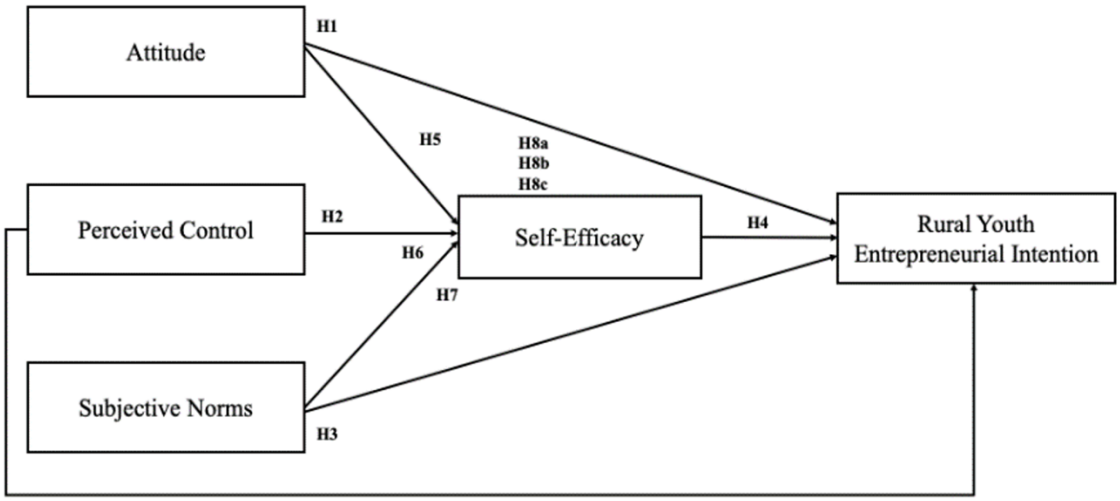


Figure 2: *Conceptual framework*

4.0 RESEARCH METHODOLOGY AND PROCEDURES

The research aims to comprehend the intricacies of entrepreneurial activities among young persons living in rural parts of Malaysia, specifically targeting those within the age range commonly associated with youth. "Rural youth" refers to those residing in non-urban areas who have specific socio-economic difficulties characterized by smaller populations, agricultural environments, and restricted availability of resources and educational prospects (Șerban et al., 2021). The sample method and process in this research were carefully devised to guarantee the collection of significant insights into the target demographic of rural youth in Malaysia, particularly individuals aged 18-29 years old. The age range was deliberately selected to include those who are likely to be considering their job choices and may have an interest in entrepreneurship as a feasible option for their future pursuits. Purposive sampling was used to specifically target individuals who align with the research's focus on young people who are considering their career options and may have an interest in entrepreneurship.

The proposed questionnaire employs a multi-sectional structure (A-F) to comprehensively evaluate the variables that impact the entrepreneurial intention of rural youth, with self- efficacy acting as a mediator. Section A gathers demographic data. D, B, and C are dedicated to the psychological facets. Section B analyses several methodologies for entrepreneurship by utilizing proven materials from previous studies, including Linán and Chen (2009) and Gundry et al. (2001). Sections C and D evaluate subjective norms (Kolvereid, 1996; Ajzen, 2005) and perceived control (Liñán and Chen, 2009; Guerrero et al., 2009) related to entrepreneurship in a similar manner. During the real proses of answering the questionnaire, the questions were translated into either Malay or English to ensure that the participants could comprehend the research questions with more precision. Hence, a 5-point Likert scale, with 5 representing strong agreement and 1 representing severe disagreement, was employed to assess all pertinent questions.

This survey successfully collected 423 respondents, however 77 were identified as having flaws, urban respondents, or were left blank or missing by the respondents. Therefore, , this study continued the analysis using the remaining 346 sets of survey questions to ensure prompt completion of the further statistical analysis.

According to demographic profile obtained, the sample includes 179 males, accounting for 51.73% of the respondents, and 167 females, accounting for the remaining 48.26%. This illustrates a fairly equal allocation of male and female participants. Out of the sample, 191 individuals or 55.20% fall between the age range of 22-25, making them the largest group of respondents. Among the entire sample, there are 40 participants in the age bracket of 18-21, constituting 11.56% of the sample. Likewise, the population of individuals aged 26-29 consists of 144 respondents, accounting for 41.61% of the total population. The age distribution indicates that most of the responders fall within the young adult demographic. Malays are the largest ethnic group, accounting for 211 respondents, which represents 60.98% of the sample. The sample included an equal number of participants from Chinese and Indian backgrounds, with 76 individuals each, representing 20.94% respectively. All of the interviewees identified themselves exclusively with one of these three racial categories and did not mention any other racial affiliation. In terms of occupation, the majority of the sample comprises students, with 201 respondents, making up 58% of the total. There are a total of 117 employed individuals, which represents 33.81% of the sample. Additionally, there are 45 unemployed respondents, accounting for 13% of the sample. This analysis of job roles indicates that a significant percentage of the surveyed individuals are working in educational establishments.

Table 1:

Respondents' Profile

		Respondents = (n = 346)	
Demographic	Categories	Frequency	Percent (%)
Gender	Male	179	51.73
	Female	167	48.26
Age	18 - 21	40	11.56
	22 – 25	191	55.20
	26 - 29	144	41.61
Race	Malays	211	60.98
	Chinese	76	20.94
	Indians	76	20.94
	Other	0	0
Occupation	Student	201	58.00
	Employed	117	33.81
	Unemployed	45	13.00
Where were you raised?	Rural	363	100
	Urban	0	0

5.0 FINDINGS PRESENTATION

5.1 Partial Least Squares (PLS) Path Modelling

In this study, PLS path modeling was performed using SmartpLS 4.1 software (Ringle et al., 2024) to evaluate both the measurement and structural models. This method is particularly advantageous because it does not require the assumption of normality, a condition often unmet in survey research (Chin et al., 2003). Following Anderson and Gerbing's (1988) recommendations, a two-step approach was utilized, which involves first establishing a valid measurement model before proceeding to test the structural model.

5.2 Assessment of the Measurement Model

According to Hair et al. (2011; 2019), assessing the measurement model involves verifying the reliability of individual items, internal consistency, content validity, convergent validity, and discriminant validity. The reliability and convergent validity of the entire PLS path model are summarized in Table 2, where all indicators meet or exceed the recommended loading value of 0.70, except for Att2 (0.481), Att5 (0.572), Att4 (0.651), PC5 (0.426), PC3 (0.628), PC2 (0.682), SN4 (0.493), SN5 (0.503), SN6 (0.660), SE5 (0.456), SE3 (0.494), and SE4 (0.678). These indicators, failing below the 0.70 threshold, were subsequently removed.

Fornell and Larcker (1981) stress the importance of assessing convergent validity through the average variance extracted (AVE). Chin (2010) suggests that an AVE exceeding 0.50 is necessary to establish convergent validity. In this study, the AVE values, as presented in Table 1, range from 0.702 to 0.890, indicating satisfactory convergent validity in accordance with Chin's (2010) criteria.

Cronbach's alpha, a widely recognized measure of reliability, calculates the average intercorrelations among items that gauge a specific construct (Sekaran & Bougie, 2016). Reliability scores below 0.60 are deemed weak, those between 0.70 and 0.80 are considered acceptable, and scores above 0.80 are classified as strong. Hair et al. (2018) recommends a reliability threshold of 0.70 or higher. As shown in Table 2, the Cronbach's alpha values in this study range from 0.784 to 0.938, all surpassing the satisfactory benchmark. Furthermore, composite reliability values also exceed the acceptable threshold of 0.80, demonstrating robust internal reliability and convergent validity.

The subsequent stage involved assessing the model's discriminant validity using the Heterotrait-Monotrait Ratio of Correlations (HTMT) method. The results, presented in Table 2, indicate that all construct pairs had values below the recommended thresholds of 0.85 or 0.90, except for the perceived control and attitude, and subjective norm and self-efficacy, which have an HTMT value of 1.006 and 1.035, exceeding the suggested limit.

To further investigate, bootstrapping was applied to test whether the HTMT value was significantly different from 1.00 (Henseler et al., 2015). According to Henseler et al. (2015), if the confidence interval includes the value of 1, it indicates a lack of discriminant validity. However, as shown in Table 3, none of the upper bounds of the 95% confidence intervals for HTMT include the value of 1. This result confirms that discriminant validity has been achieved in this study.

Table 2:

Measurement Model

Constructs	Items	Loadings >0.70	AVE >0.50	Composite Reliability >0.80	Cronbach's Alpha >0.7
Attitude			0.890	0.960	0.938
	ATT1	0.953			
	ATT3	0.918			
	ATT6	0.958			
Perceived Control			0.708	0.879	0.807
	PC1	0.855			
	PC4	0.836			
	PC6	0.833			
Subjective Norm			0.836	0.939	0.902
	SN1	0.913			
	SN2	0.952			
	SN3	0.877			
Self-Efficacy			0.702	0.875	0.784
	SE1	0.891			
	SE2	0.865			
	SE6	0.742			
Rural Youth Entrepreneurial Intention					
	Int1	0.932	0.774	0.945	0.925
	Int2	0.946			
	Int3	0.797			
	Int4	0.972			
	Int5	0.919			

Table 3:

Assessment of Discriminant Validity

	1	2	3	4	5
1.Attitude					
2. Perceived Control	1.006				
3. Rural Youth Entrepreneurial Intention	0.521	0.747			
4. Self-Efficacy	0.529	0.820	0.821		
5. Subjective Norm	0.448	0.617	0.652	1.035	

5.3 Assessment of the Structural Model

The researcher obtained estimates for path coefficients, which indicate the expected relationships among the constructs. To achieve this, the bootstrapping technique was employed with a sample size of 5,000 drawn from a total of 363 observations, following the methodology recommended by Hair et al. (2017). Figure 2 provides a detailed summary of the estimates for the structural model, while Table 3 outlines the results related to the proposed structural model, including the standard error of path coefficients and their corresponding t-statistics.

Table 4:

Direct Relationships for Hypothesis Testing

	Hypotheses	Std Beta	Std Error	t-values	p-values	5.0% (LLCI)	95.0% (ULCI)	Decision
H1	Attitude → Ent Intention	0.081	0.012	3.473	0.001	0.188	0.064	Supported
H2	Perceived Control → Ent Intention	0.194	0.187	3.690	0.000	0.098	0.271	Supported
H3	Subjective Norm → Ent Intention	0.231	0.225	3.487	0.000	0.112	0.331	Supported
H4	Self-Efficacy → Ent Intention	0.343	0.333	3.547	0.000	0.166	0.485	Supported
H5	Attitude → Self-Efficacy	0.119	0.115	4.961	0.000	0.181	0.009	Supported
H6	Perceived Control → Self-Efficacy	0.565	0.567	9.481	0.000	0.465	0.664	Supported
H7	Subjective Norm → Self-Efficacy	0.674	0.673	23.064	0.000	0.624	0.720	Supported

Based on the outcomes presented in Table 4 all hypotheses received support, as evidenced by t-values exceeding 1.645 and p-values below 0.10. Hypothesis 1 posits that attitude has a significant and positive correlation with entrepreneurial intention, which is supported by the results (b = 0.081, t = 3.473, p = 0.001). Additionally, the data reveal a positive association between perceived control and entrepreneurial intention (b = 0.194, t = 3.690, p = 0.000), confirming Hypothesis 2. Hypothesis 3 suggests a positive relationship between subjective norm and entrepreneurial intention, which the data confirm (b = 0.231, t = 3.487, p = 0.000). Hypothesis 4 proposes a positive connection between self-efficacy and entrepreneurial intention, which is supported by the results (b = 0.343, t = 3.547, p = 0.000).

Similarly, Hypothesis 5 suggest that the positive relationship between attitude and self-efficacy is confirmed by the data (b = 0.119, t = 4.961, p = 0.009). Hypothesis 6 asserts that the positive connection between perceived control and self-efficacy is supported by the results (b = 0.565, t = 9.481, p = 0.000). Lastly, Hypothesis 7 posits a positive relationship between subjective norm and self-efficacy, also supported by the findings (b = 0.674, t = 23.064, p = 0.000).

5.4 Testing Mediator Effects

In total, three mediation hypotheses (H8a, H8b, H8c) were examined to explore the mediating role of self-efficacy between attitude, perceived control, subjective norm, and entrepreneurial intention. To investigate these hypotheses, this study employed the PLS algorithm and conducted a bootstrapping procedure using a dataset 363 cases and a sample of 5000, following the methodology outlined by Hair et al. (2014). According to Preacher and Hayes (2008), when evaluating mediation hypotheses, the indirect effect is considered significant if the confidence interval does not include zero.

The results of the bootstrapping procedure for the mediation hypotheses are presented in Table 4. The analysis revealed that the pathways attitude → self-efficacy → intention (b=-0.061, p=0.001) and perceived control → self-efficacy → intention (b=0.194, p=0.000) were both statistically significant. Additionally, the subjective norm → self-efficacy → intention (b=0.231, p=0.000) was significant. Furthermore, the 95% confidence intervals, corrected for bias, did not include zero, confirming the validity of these results.

Table 5:

Mediation testing results

	Hypotheses	Std Beta	Std Error	t-values	p-values	5.0% (LLCI)	95.0% (ULCI)	Decision
H8a	Attitude → Self-Efficacy → Intention	0.061	0.012	3.463	0.001	0.198	0.079	Supported
H8b	Perceived Control → Self-Efficacy → Intention	0.194	0.187	3.690	0.000	0.098	0.271	Supported
H8c	Subjective Norm → Self-Efficacy → Intention	0.231	0.225	3.487	0.000	0.112	0.331	Supported

5.5 Coefficient of Determination (R^2 Value)

Figure 2 illustrates the R^2 values associated with self-efficacy and entrepreneurial intention. Determining an appropriate R^2 value can be challenging, as it depends on the specific domain and complexity of the research. However, as a general guideline, a higher R^2 value typically indicates greater predictive accuracy for the model, aligning with the principles discussed by Hair et al. (2017). In the field of marketing, a common rule of thumb is to categorize R^2 values of 0.75, 0.50, or 0.25 for endogenous latent variables as substantial, moderate, or weak, respectively, as suggested by Hair et al. (2017). In this study, the R^2 values for self-efficacy and entrepreneurial intention, as shown in Figure 2, are 0.857 and 0.570, respectively. These results suggest that the R^2 values in this study can be considered substantial.

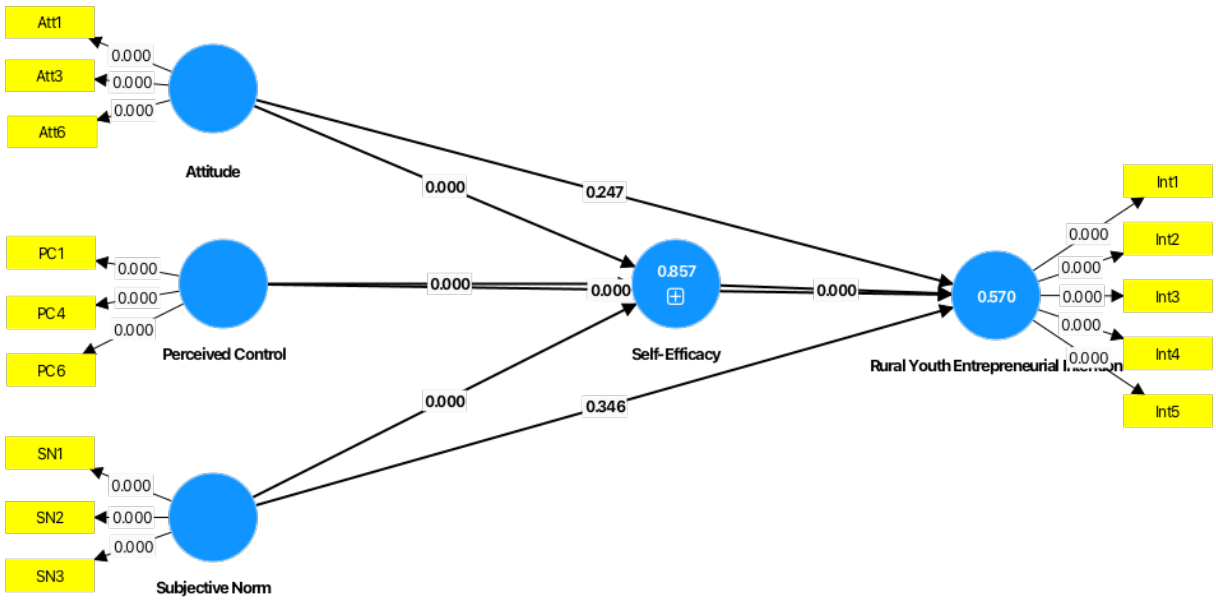


Figure 3: *Coefficient of Determination*

5.6 Effect Size (f^2)

The impact of predictor constructs can be evaluated using Cohen's f^2, a metric that assesses how significantly a change in an independent latent variable affects the dependent latent variable. Essentially, it quantifies the strength with which an endogenous construct contributes to explaining an exogenous construct, as elucidated by Ramayah et al. (2018).

Table 6:

Effect size

Constructs	F square	Effect size rating
Attitude -> Entrepreneurial Intention	0.005	Small
Attitude -> Self-Efficacy	0.176	Medium
Perceived Control -> Entrepreneurial Intention	0.095	Small
Perceived Control -> Self-Efficacy	0.610	Large
Self-Efficacy -> Entrepreneurial Intention	0.037	Small
Subjective Norm -> Entrepreneurial Intention	0.003	Small
Subjective Norm -> Self-Efficacy	2.209	Large

Effect size values are typically categorized as large (0.35), medium (0.15), and small (0.02) when assessing impact, as outlined by Cohen (1988). As shown in Table 5, all the relationships contribute to varying extents, small, medium, and large in explaining attitude, perceived control, self-efficacy, subjective norm, and entrepreneurial intention

5.0 DISCUSSIONS OF THE FINDINGS

The results are consistent with the Theory of planned behavior (TPB) showed that an individual's intention and behavior are impacted by three distinct attitudinal factors including perceived control and subjective norms (Ajzen, 1991). The first research objective demonstrated significant positive correlations for all three factors, reinforcing existing theories in entrepreneurial intention research. The positive correlation between attitude and entrepreneurial intention highlights that rural youths' perceptions of entrepreneurship play a crucial role in shaping their intention to engage in entrepreneurial activities. Although the coefficient for attitude is negative, suggesting potential reservations or perceived risks associated with entrepreneurship, the overall positive correlation confirms that a favorable attitude is essential for fostering entrepreneurial intention. These results align with previous studies by Vamvaka et al. (2020) and Ajzen (1991), indicating that enhancing the attitudes of rural youth towards entrepreneurship could significantly boost their entrepreneurial aspirations.

The study also confirms a strong positive relationship between perceived control and entrepreneurial intention. This finding emphasizes the importance of self-confidence and the perceived ease of engaging in entrepreneurial activities, particularly in rural contexts where resources may be limited. The significant positive association between subjective norms and entrepreneurial intention further underscores the influence of social expectations and community norms on rural youth. This suggests that rural youth are likely to pursue entrepreneurship if they perceive strong social support for such endeavors, highlighting the importance of cultivating a supportive entrepreneurial environment within rural communities.

Based on the second objective in examining the relationship between attitude, perceived control, and subjective norms with self-efficacy, the study found significant positive correlations across all three factors, suggesting that these psychological constructs are closely linked to the self-efficacy of rural youth in entrepreneurial contexts. The findings reveal that a positive attitude towards entrepreneurship is associated with higher self-efficacy. Despite the negative coefficient, which might indicate underlying concerns about entrepreneurship, the positive correlation overall suggests that improving rural youths' attitudes towards entrepreneurship could enhance their confidence in their entrepreneurial capabilities. This is consistent with previous research by Boyd and Vojak (2007) and Zhao et al. (2005), which emphasize the influence of attitude on self-efficacy. Meanwhile, perceived control also exhibits a strong positive relationship with self-efficacy, indicating that rural youths who believe they have control over their entrepreneurial success are more likely to have high self-efficacy. This finding aligns with Ajzen's (1991) Theory of Planned Behavior, which posits that perceived control is a key determinant of self-efficacy. Furthermore, the strong positive correlation between subjective norms and self-efficacy suggests that social support and the approval of significant others play a critical role in enhancing rural youths' confidence in their entrepreneurial abilities. This finding underscores the importance of fostering a positive social environment that encourages and supports entrepreneurial activities in rural area.

The third objective of this study was to analyze the correlation between self-efficacy and rural youth entrepreneurial intention. The results indicate a significant positive relationship between these variables, suggesting that self-efficacy is a strong predictor of entrepreneurial intention among rural youth. This finding is consistent with Bandura's (1977) theory, which posits that individuals with high self-efficacy are more likely to engage in challenging activities, such as entrepreneurship, because they believe in their

ability to succeed. The significant positive correlation observed in this study reinforces the critical role of self-efficacy in entrepreneurial intention. Rural youth who possess a strong belief in their entrepreneurial capabilities are more likely to pursue entrepreneurial ventures, despite potential obstacles and challenges. This suggests that initiatives aimed at enhancing self-efficacy, such as entrepreneurship training, mentorship programs, and practical entrepreneurial experiences, could be particularly effective in promoting entrepreneurial intention among rural youth.

The findings of the final objective confirm that self-efficacy significantly mediates the relationships between attitude, perceived control, subjective norms, and entrepreneurial intention. Specifically, self-efficacy enhances the effect of attitude on entrepreneurial intention, suggesting that rural youth with higher self-efficacy are more likely to view entrepreneurship positively despite initial doubts. It also mediates the relationship between perceived control and entrepreneurial intention, highlighting that those who feel they have control over outcomes are more likely to develop strong self-efficacy and increased entrepreneurial intentions. Additionally, self-efficacy mediates the effect of subjective norms, indicating that strong social support boosts self-efficacy, which in turn enhances entrepreneurial intentions. These results align with the Theory of Planned Behavior (Ajzen, 1991) and support Ridzwan et al. (2021), demonstrating that in rural areas with limited external support, self-efficacy is essential for making entrepreneurial activities appear achievable and within reach.

This research provides several theoretical and managerial implications. The theoretical implications highlight that the study reaffirms the Theory of Planned Behavior by demonstrating that self-efficacy is a critical psychological factor mediating the relationship between attitude, perceived control, subjective norms, and entrepreneurial intention among rural youth. The study extends the TPB framework to rural contexts, showing how self-efficacy influences entrepreneurial aspirations even in resource-limited environments. Additionally, it contributes to rural entrepreneurship literature by highlighting how self-efficacy interacts with both internal psychological factors and external social factors like subjective norms, thereby offering a more comprehensive model of how rural youth develop entrepreneurial goals. From a managerial perspective, the findings suggest several strategies to enhance entrepreneurial intentions among rural youth. Firstly, developing self-efficacy initiative programs such as training workshops, and mentorship programs, and sharing success stories from local entrepreneurs can boost self-esteem and make starting a business seem more feasible. Secondly, there should be more control over which managers and policymakers concentrate on developing systems and resources that empower young people living in rural areas by giving them more access to finance, entrepreneurship education, and useful tools that are tailored to their unique circumstances. Furthermore, it is important to incorporate support networks that meet the unique needs of rural youth by partnering with local organizations to bridge resource gaps and provide training programs needed to support young people in achieving their entrepreneurial goals.

6.0 CONCLUSION

This study has examined the factors influencing entrepreneurial intention among rural youth in Malaysia, focusing on the roles of attitude, perceived control, subjective norms, and self-efficacy. The findings reveal that self-efficacy significantly mediates the relationships between attitude, perceived control, and subjective norms with entrepreneurial intention. Specifically, while rural youths may have reservations about entrepreneurship, those with higher self-efficacy are more likely to perceive entrepreneurship positively and act on their entrepreneurial aspirations. The study also contributes to the Theory of Planned Behaviour by confirming the critical role of self-efficacy as a mediator and extends the TPB framework to rural contexts. Although this research highlights the critical role of self-efficacy in influencing rural youth's entrepreneurial intentions, it does not address effective strategies for developing this self-efficacy. The study's limitation lies in the lack of exploration into validated approaches or interventions designed to

enhance self-efficacy among rural entrepreneurs, an essential aspect of fostering entrepreneurial growth. Future research should focus on innovative methods to build self-efficacy, such as integrating virtual reality (VR) technology to create immersive and realistic business simulations. VR can provide rural youth with practical decision-making experiences and immediate feedback, thus helping to build confidence and enhance entrepreneurial skills in a controlled, risk-free environment.

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