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## THE RELATIONSHIP BETWEEN EXTERNAL LOCUS OF CONTROL AND INTENTION TO START PRIVATE BUSINESS IN CASE OF GRADUATING CLASS STUDENT AT WOLAITA SODO UNIVERSITY

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### ABSTRACT

This study was designed to investigate the relationship between external locus of control and an intention to start private business. Emphasis was made on establishing the relationship between external locus of control and intention to start private business in graduating class university students at Wolaita Sodo University. The study employed the use of correlation design to establish the nature of the relationships. The validity and reliability of research instruments was established and data was collected from 278 respondents selected from two colleges and one school by using simple random sampling method. To analyze the data, the analysis of variance (ANOVA), T-Test, and Pearson product moment correlation statistical tools were used with the aim of establishing the difference and relationship between external locus of control and intention to start private business in graduating class university students at Wolaita Sodo University. Findings revealed that there was significant difference in intention to start private business on students of different college/school they belongs to, no significant difference in intention students from different age level, and no significant difference in place of residence. The findings also revealed that there was significant positive relationship between external locus of control and intention to start private business in graduating class university students. Based on the findings, the researcher made the following conclusions; life skill training, advice and overall self confidence building and risk taking skill to create job count on motivating individuals to create job, start and with high commitment. The researcher also confirmed the ecological and social learning theoretical model. Finally, the researcher recommended that; Wolaita Sodo University maintains its instruction by considering the influence of Locus of control on individuals' life.

### INTRODUCTION

Locus of control is embedded within the Rotter's (1954) social learning theory of personality which postulates that behavior is a function of expectancy and reinforcement value in a specific situation. In other words, a particular behavior is more likely to occur if it is associated with high reinforcement value and expectancy. Reinforcement value is the degree of preference for a particular reinforcement if various alternative reinforcements are available. Expectancy is the probability that the particular reinforcement will occur as a result of an individual's behavior (Rotter, Chance, & Phares, 1972). The potential for a particular behavior to occur therefore is a function of the expected occurrence of reinforcement following the behavior (Rotter, 1954, cited in Paul Harvey and Mark J. Mortinko, 2011).

The term locus of control simply refers to the extent to which one believes that events in one's life are contingent on one's own behavior. According to the internal-external locus of control construct, persons with internal expectancies for control of reinforcement believe that their own behavior determines the reinforcement they receive. These persons are called internals. A person with internal locus of control attributes change to himself and to his actions. They believe and act as if they control their own futures and see themselves as effective agents in determining the occurrence of reinforcing events in life. In contrast, a person who believes in external control of reinforcements attributes their outcomes to chance, luck, fate, powerful others, and so on. These people are called externals. A person with external locus of control attributes changes to external sources, and believes that powerful forces such as fate, luck, chance, powerful others, social constraints, or instructions are important factors determining the occurrence of reinforcing events in his life. A person with external locus of control believes that reinforcement does not depend on his

actions or behavior, but is “the result of luck, chance, fate, as under the control of powerful others or is unpredictable because of great complexity of forces.” (Rotter, 1966, cited in S.O. Popoola and Bruno I. Igbeneghu, 2008). The implication of this is that individuals with internal locus of control may likely change their behavior following reinforcements than those individuals with external locus of control.

Standard job search theory assumes that unemployed individuals have perfect information about the effect of their search effort on the job offer arrival rate. In this paper, I will present an alternative model which assumes instead that each individual has a subjective belief about the impact of his or her search effort on the rate at which job offers arrive. This subjective belief depends in part on individuals’ ‘locus of control’, which is defined as a generalized expectation about the internal versus external control of reinforcement (Rotter, 1966). A person whose external locus of control dominates tends to believe that much of what happens is beyond his or her control. Life’s outcomes are instead attributed to other forces, like fate or luck, rather than to one’s own actions. In contrast, a person with an internal locus of control sees future outcomes as being contingent on his or her own decisions and behavior. It is quite intuitive that people who believe that success in life largely depends on their own actions and efforts rather than on luck or other “external” forces in turn expect different returns to their own behavior—particularly with respect to investment decisions like educational choices—than individuals with a more external locus of control. Given this, it seems sensible to expect that locus of control will have an important effect on many economic outcomes and in particular, that internality will be positively correlated with economic success. In fact, several empirical studies do conclude that locus of control is correlated with labor market success, in particular wages. An early example is Andrisani (1977, 1981 cited in Ritta Halpert and Russ Hill, 2011) who examines National Longitudinal Survey data and finds that individuals with an internal locus of control in 1968 had significantly higher hourly wages two years later. Similarly, Osborne Groves (2005) analyzes data from the National Longitudinal Survey of Young Women and concludes that women with an internal locus of control earn more than women with an external locus of control. Investment decisions also appear to be linked to individuals’ locus of control. In particular, Coleman and Deleire (2003) conclude that locus of control affects education decisions primarily by influencing teenagers’ expectations regarding the return to human capital investments. Cebi (2007), however, is not able to replicate these results using a different data set once cognitive ability is controlled for. Still, the potential link between individuals’ locus of control and their human capital investments raises questions about the extent in a reply to this article Andrisani (1981) argues that Duncan and Morgan actually failed to disprove his results and cites several other studies that confirm his findings. Hansemark (2003) finds evidence for a positive impact of internal locus of control on the probability of starting a new business for men, but not for women to which locus of control affects wages directly via productivity versus indirectly through skills acquisition. Piatek and Pinger (2009), for example, conclude that locus of control affects wages only indirectly through the schooling decision. Heckman et al. (2006) use indicators of self-esteem and locus of control to construct a one-dimensional, latent factor representing non cognitive skills. They find that non cognitive skills have both a direct wage effect (via productivity) and an indirect wage effect (via schooling and work experience). To our knowledge, there exist only three previous studies that assess the effect of locus of control on transitions from unemployment to employment. Gallo et al. (2004) and Uhlendorff (2004) analyze the German Socio Economic Panel (SOEP) and conclude that a higher sense of internal control is associated with a higher probability of reemployment and with shorter spells of unemployment, respectively. Neither study, however, is able to distinguish between the effect that locus of control as a form of unobserved ability has in directly affecting the probability of receiving a job offer and the role that locus of control might play in shaping expectations about the return to investments in job search. In independent work, McGee (2010) takes a similar approach to ours to investigate job search among respondents in the 1979 National Longitudinal Survey of Youth (NLSY) and finds that young unemployed men with an internal locus of control search more and have higher reservation wages. Although he lacks a direct measure of individuals’ beliefs about the payoffs to job search, McGee estimates models of the propensity to receive a job offer conditional on having made contact with an employer and finds results that are consistent with his assumption that locus of control influences search behavior through beliefs about the efficacy of job search rather than productivity per se. Like Coleman and

Deleire (2003), we contrast these predictions to those from an alternative model in which locus of control is viewed as a form of ability that has a direct impact on the productivity of the worker. In this alternative model, individuals with a more internal locus of control have a higher job arrival rate, independent of their search effort, because they are more able. They are expected to have higher reservation wages, but to search less. Thus, this study focused on the external locus of control of Wolaita sodo university main campus business and economics, social science and Humanities College and Education and behavioral science school graduate students to start private business.

### **STATEMENT OF THE PROBLEM**

The question of whether or not we control our own fate has been the topic of debate for centuries. Religion and literature have both had a long history of trying to discern what forces shape our future. As early as the Ancient Greek times, philosophers and writers focused on the idea of fate and free will. While some find the idea of having a greater power drive our lives comforting, others find it frightening – fearing the idea that they are not in control of their own lives. Further, there are those who rely on the idea of not being in control of their lives to justify their actions or explain their misfortunes. Because of the mixed emotions surrounding fate, destiny, and free choice, numerous works from the ancient times until now focus on locus of control (Jessica F. Wolfe 2011). In addition, a similar study was completed on both male and female college athletes to determine how success relates to locus of control (Denny & Steiner, 2009 cited in J.F. Wolfe, 2011). It was believed if a college student was successful and doing well that they, like those with higher socio-economic status, would have an internal locus of control. Again, using Rotter's scale, demographic questionnaires, and a questionnaire measuring perceived happiness and athleticism, it was determined there was a correlation between athletic success and happiness and internal locus of control. Hence this study will determine the External locus of control of business and economics, Social science and Humanities College and education and behavioral science school graduating class students to start their private business after graduation. The study attempted to find answer for the following basic research questions.

- Is External LC related to students' level of confidence to start their own private business?
- Does LC vary as a function of gender, age, college they assigned and place of birth? (i.e. whether a student is from major city or small town).

### **OBJECTIVES OF THE STUDY**

#### **General objective**

The overall objective of this study was to determine if External locus of control has a relationship with intention to start private business.

#### **1.3.2. Specific objectives**

The study is specifically intended to:-

- Explore whether the respondents have an intention to start private business
- Investigate whether factors like sex, age, place of residence of the respondents have significant association with their intention to start private business
- Investigate the relationship between external locus of control and an intention to start private business.

### **METHODOLOGY OF THE STUDY**

This Chapter outlines the manner that the researcher used in conducting this study. The key components are the research design, population, sample size and sampling technique, research instruments and data analysis.

### **RESEARCH DESIGN**

The research design which has been employed in this study was co- relational design. This is due to the fact that the study intends to investigate the relationship between External locus of control and the intention to start private business on the basis of locus of control and other major variables in the study. According to Fraenkel and Wallen (1996), correlation research describes an existing relationship between variables. The

study used the quantitative approach because it is based on variables measured with numbers and analyzed with statistical procedures.

### **STUDY AREA**

The study has been conducted in Wolaita Sodo University, college of business and economics, Social sciences and humanities, and school of education and behavioral science in main campus.

### **POPULATION**

The target population of the study is graduating class students of college of business and economics, Social sciences and humanities, and school of education and behavioral science.

### **SAMPLE AND SAMPLING TECHNIQUES**

According to Anthony and Picciano(2011,p121) various sampling techniques can be used depending on the type of research to be conducted.

From the available fifteen departments' 278 students were selected by using simple random sampling. Then after in order to choose the individual participants, stratified random sampling would be conducted based on gender so that, both males and females could get fair possibility of being selected as sample.

### **DATA GATHERING INSTRUMENTS**

There are different instruments using to gather information and also different researchers use different instruments depending on the research type and population that they conduct. From those instruments the researcher will use questionnaire because the population of the study are literate and large. The questionnaire is of three parts. The first part constitutes of personal information such as gender, age and place of residence of the respondents. The second part deals with if the participants have an intention to start private business. And the last part consists of set of items indicating external locus of control measuring the intention of the respondents to start private business. The items measuring externality of locus of control will be adopted from the Rotter's measure of external locus of control scale and little bit modified and contextualized.

### **DATA ANALYSIS TECHNIQUE**

The data gathered through, questionnaire was processed through concurrent flows of activity of the quantitative data analysis system. Data from questionnaires was compiled, sorted, edited, classified and coded into a coding sheet and analyzed using a computerized data analysis package known as Statistical Package for Social Science 20.0 by using revert scale. The researcher used Pearson product-moment correlation coefficient ( $r$ ) to compute the relationship between External locus of control and an intention to start private business. The researchers also used T-test to find out how intention varied with gender. One way Analysis of Variance (ANOVA) was used to check an intention differences in terms of age and College or School they belongs to.

### **DATA ANALYSIS AND INTERPRETATION**

This chapter deals with the interpretations of the data analyzed by the SPSS computer program. It generally encompasses data about the participants' characteristics, and the locus of control items. They are all presented in the tables that follow respectively.

**Table 1: Demographic Characteristics of the Study Sample (N=278)**

| Respondents Demographic Characteristics    | Sex                              |            | Overall    |             |
|--|----------------------------------|------------|------------|-------------|
|  | Male                             | Female     |            |             |
| <b>College</b>                             | Social science                   | 64 (56.14) | 50(43.86)  | 114(41.07%) |
|  | Education and behavioral science | 43(55.84)  | 34(44.16)  | 77(27.69%)  |
|  | Business and Economics           | 48(55.17)  | 39(44.83)  | 87(31.29%)  |
|  | Total                            | 155(55.75) | 123(44.24) | 278(100%)   |
| <b>Place of residence</b>                  | Urban                            | 57(55.33)  | 46(44.67)  | 103(37.05%) |
|  | Semi urban                       | 60(56.07)  | 47(43.93)  | 107(38.5%)  |
|  | Rural                            | 38(10.16)  | 30(2.44)   | 68(24.5)    |
|  | Total                            | 155        | 123        | 278         |
| <b>Age</b>                                 | Below 20                         | 6(1.62)    | 5(0.38)    | 11(2%)      |
|  | 20-25                            | 109(64.15) | 86(15.15)  | 195(79.3%)  |
|  | >25                              | 40(15.13)  | 32(3.57)   | 72(18.7%)   |
|  | Total                            | 155(80.9)  | 123(19.11) | 2278(100%)  |
| <b>Intention to start private business</b> | Yes                              | 115(74.19) | 91(73.98)  | 206(74.10)  |
|  | No                               | 40(25.80)  | 32(26.02)  | 72(25.9)    |
|  | Total                            | 155        | 123        | 278         |

As it can be seen from the Table above, samples of female and male students, the majority of the participants reported that they are from social science and Humanities College which is 41.07% and majority of the students about 39% of the sample were from semi urban residents. According to their report majority of the students' are categorized under social science and from semi-urban residence). The majority of participants (74%) reported that they want to start private business after their graduation. As the above table majority of the students or respondents family are reside in semi-urban areas. And when we come to students age majority of the students were aged between 20-25 years.

### Respondents' intention to start private business in Terms Of Gender and Locus of control

The study was interested in whether intention to start private business varied in terms of demographic characteristics. Table 2 shows the mean difference between Gender, external Locus of control and intention to start private business as determined using the independent sample t-test results.

**Table 2 Summary of the t-test results for the mean difference between gender and Intention to start private business**

| Variables     | N      | Mean | SD   | t    | P -value  |
|---------------|--------|------|------|------|-----------|
| <b>Gender</b> | Male   | 155  | 1.23 | 0.45 | 1.39 .067 |
|               | Female | 123  | 1.31 | 0.46 |           |

Statistically not significant

An independent sample t- test was conducted to ascertain whether a statistically significant difference exists between intention to start private business and gender.

As presented in Table-2, there is no statistically significant difference between intention to start private business in accordance with gender  $t(278) = 1.39$  which is not significant at  $\alpha = .05$ .

**Variation with Age, Residence and variation with college they belongs to**

The mean difference between age and intention to start private business was determined by using ANOVA. Table 3 shows a summary of the mean difference between age group and intention to start private business by using ANOVA.

**Table 3 Difference of mean intention to start private business in accordance with Respondents' age**

| ANOVA          |                |     |             |       |      |
|----------------|----------------|-----|-------------|-------|------|
| ITSPB          | Sum of Squares | df  | Mean Square | F     | Sig. |
| Between Groups | 1.184          | 2   | .592        | 2.849 | .060 |
| Within Groups  | 57.119         | 275 | .208        |       |      |
| Total          | 58.302         | 277 |             |       |      |

A one-way between-groups analysis of variance was conducted to explore the impact of age on intention to start private business, as measured by Locus of control scale. Subjects were divided into three groups according to their age (Group 1: below 20; Group 2: 20-25; Group 3: >25).

There was no a statistically significant difference at the  $p < .05$  level in ITSB scores for the three age groups [ $F(2, 275) = 2.85, p = .060$ ].

**Table 4 Variation with respondents' college/School**

| ANOVA          |                |     |             |       |      |
|----------------|----------------|-----|-------------|-------|------|
| ITSPB          | Sum of Squares | df  | Mean Square | F     | Sig. |
| Between Groups | 1.743          | 2   | .871        | 4.237 | .015 |
| Within Groups  | 56.560         | 275 | .206        |       |      |
| Total          | 58.302         | 277 |             |       |      |

| Multiple Comparisons      |             |                       |            |      |                                     |             |
|---------------------------|-------------|-----------------------|------------|------|-------------------------------------|-------------|
| Dependent Variable: ITSPB |             |                       |            |      |                                     |             |
| Tukey HSD                 |             |                       |            |      |                                     |             |
| (I) College               | (J) College | Mean Difference (I-J) | Std. Error | Sig. | 95% Confidence Interval Lower Bound | Upper Bound |
| CBE                       | SSH         | -.17783*              | .06690     | .023 | -.3355                              | -.0202      |
|                           | EBS         | -.03657               | .07096     | .864 | -.2038                              | .1306       |
| SSH                       | CBE         | .17783*               | .06690     | .023 | .0202                               | .3355       |
|                           | EBS         | .14126                | .06456     | .075 | -.0109                              | .2934       |
| EBS                       | CBE         | .03657                | .07096     | .864 | -.1306                              | .2038       |
|                           | SSH         | -.14126               | .06456     | .075 | -.2934                              | .0109       |

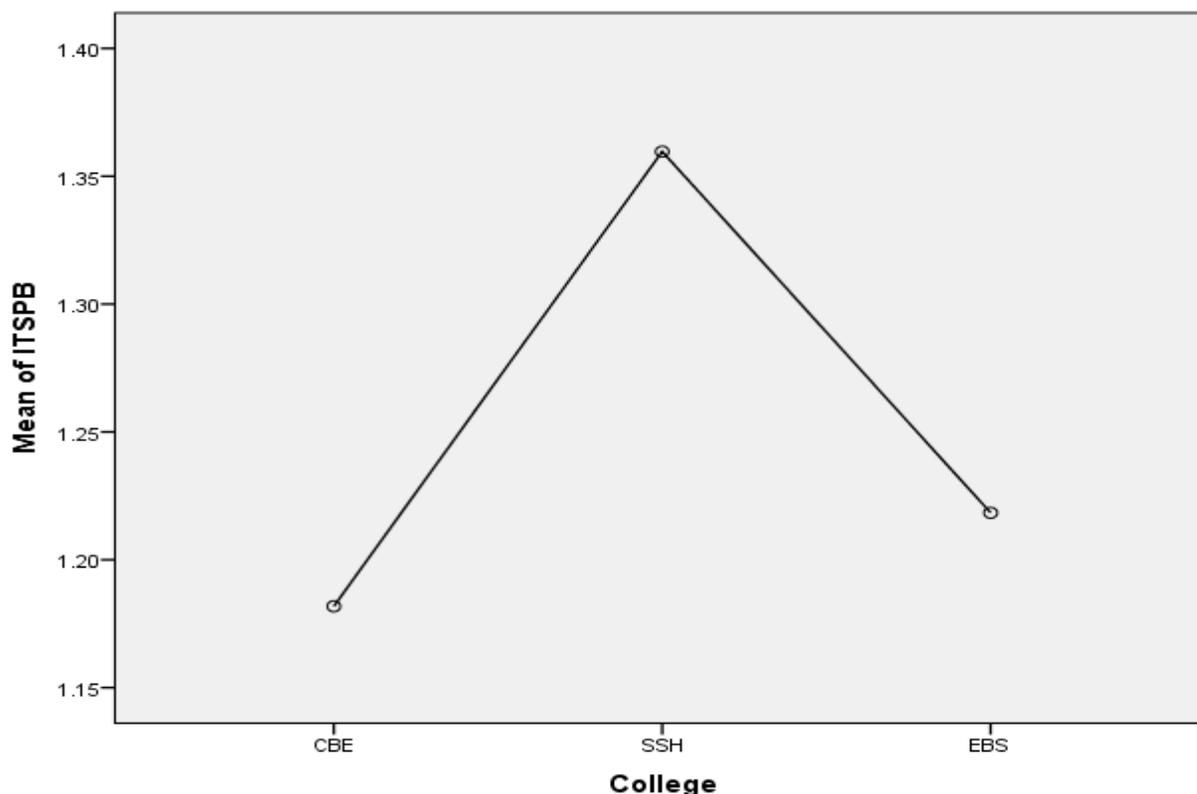
\*. The mean difference is significant at the 0.05 level.

A one-way between-groups analysis of variance was conducted to explore the impact of college they assigned on an intention to start private business, as measured by Locus of control scale. Subjects were divided into three groups according to their college (Group 1: College of business and Economics; Group 2:

College of social science and humanities; Group 3: School Education and behavioral sciences).

There was a statistically significant difference at the  $p < .05$  level in ITSPB scores for the three age groups [ $F(2, 275) = 4.237, p = .015$ ]. Post-hoc comparisons using the Tukey HSD test indicated that the mean score for Group 1 ( $M = 1.18, SD = .388$ ) was significantly different from Group 2 ( $M = 1.36, SD = .52$ ). Group 3 ( $M = 1.22, SD = .42$ ) also differ significantly from Group 1 and 2

**Figure 1 Means plot for impact of college students graduating from on an intention to start private business**



As it can be seen from the above figure of means plot, intention to start private business is significantly different with different college group of the learners. The figure implies that intention to start private business is low at college of Business and Economics while college of social science and humanities have the highest intention.

**Table 5 Variation with respondents' place of Birth**

| ANOVA          |                |     |             |       |      |
|----------------|----------------|-----|-------------|-------|------|
| ITSPB          |                |     |             |       |      |
|                | Sum of Squares | df  | Mean Square | F     | Sig. |
| Between Groups | 1.220          | 2   | .610        | 2.940 | .055 |
| Within Groups  | 57.082         | 275 | .208        |       |      |
| Total          | 58.302         | 277 |             |       |      |

A one-way between-groups analysis of variance was conducted to explore the impact of place of birth on an intention to start private business, as measured by Locus of control scale. Subjects were divided into three groups according to their place of birth (Group 1: Urban; Group 2: Semi-Urban; Group 3: Rural). There was no a statistically significant difference at the  $p < .05$  level in ITSPB scores for the three place of birth groups [ $F(2, 275) = 2.94, p = .055$ ].

## VERIFICATION OF HYPOTHESES

This Subsection gives the verification of the three study hypotheses;

The research hypothesis was statistically tested by analyzing the relationship between the dependent variable and the independent variable through Pearson correlation method with 95% confidence interval level.

### Hypothesis: External Locus of control and an intention to start private business

The hypothesis was stated as; "There is a positive relationship between external locus of Control and intention to start private business after graduation." To test this hypothesis, the researcher asked respondents to rate their locus of control level. The rating was according to Likert scale with one representing Strongly Disagree, two representing Disagree, three representing Agree, four representing strongly agree and the reverse for questions which were negative. For purposes of testing Hypothesis one, that is whether there is a positive relationship between external locus of Control and intention to start private business after graduation, the researcher developed 15 items on external locus of control (Appendix A, Section 3) and to correlate the two, the Pearson product moment coefficient was used as follows

**Table 7 Respondents Pearson Product Moment correlation analysis for the relationship between External locus of control and an intention to start private business**

|                                  |                            |            |              |
|----------------------------------|----------------------------|------------|--------------|
| <b>ITSPB</b>                     | <b>Pearson correlation</b> | <b>1</b>   | <b>0.011</b> |
|                                  | <b>Sig(2-tailed)</b>       | <b>278</b> | <b>0.860</b> |
|                                  | <b>N</b>                   |            | <b>278</b>   |
| <b>External Locus of control</b> |                            |            |              |
|                                  | <b>Pearson correlation</b> | 0.011      | 1            |
|                                  | <b>Sig(2-tailed)</b>       | 0.860      |              |
|                                  | <b>N</b>                   | 278        |              |

According to the above Table, External locus of control and intention to start private business were positively correlated,  $r(278) = 0.011, p = 0.860$  at the 95% of confidence level. This indicates that intention to start private business would be positively affected by an external locus of control. This result implies that when external locus of control feeling is high starting private business intention also increase whereas the level of external locus of control feeling is low the intention to start private business level decrease.

## DISCUSSION OF THE FINDINGS

This part discusses about the findings of the data as presented in part one. As stated in chapter one of this research, the main intent of this research was to investigate the relationship between External Locus of Control and intention to start private business. Based on this objective, detailed quantitative survey results were analyzed in part one of this chapter. In this part detailed discussion of this quantitative survey concerning the relationship between External Locus of Control and intention to start private business among respondents is discussed. Related research findings for triangulation are presented.

### Objective: The relationship between External locus of control and intention to start private business

The study objective was stated as there is positive relationship between External locus of control and intention to start private business. To test this hypothesis the researcher developed standardized questionnaire and adopted into Ethiopian context. The reliability of the questionnaire was tested by pilot study by using cronbach's alpha test and its reliability level was 0.78 which is found to be acceptable. The

Pearson Product Moment Correlation was used to determine the relationship between External locus of control and intention to start private business. The Pearson correlation result shows  $r(278) = 0.011$ ,  $p = 0.860$  at the 95% of confidence level. The finding reveals that, there is positive relationship between External locus of control and intention to start private business. This indicates that intention to start private business would be positively affected by their level of locus of control. This result implies that if locus of control (LC) is related to students' level of confidence to start private business, the results showed that people high on external locus of control would tend to engage in private business than those high on the internal locus of control.

The findings of this study are consistent with the research conducted by Bembenutty, et.al. (2007) who argued that results showed that people high on external locus of control would tend to engage in private business (farm) than those high on the external locus of control.

## **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

In the previous chapter discussions about the empirical findings of this research were discussed. In this chapter, the overall research process of this study is summarized and general conclusions based on the findings are made. Finally, this chapter concludes with brief recommendations in line with the findings which could improve intention.

### **SUMMARY**

The main objective of this study was to examine the relationship between External locus of control and intention to start private business. According to the analysis results and discussion of the study, summaries are made on the relationship of dependant and independent variables.

The empirical or findings results of the research were presented in chapter 4. The response rates and sample was discussed. Descriptive, comparative and correlative statistics were utilized to gain a better understanding of the data and presented by means of frequency charts/figures and tables. The validity of the instrument was checked by different individuals like English and Amharic instructors in college of social science in addition to the researchers and reliability of the two instruments utilized was tested by means of the cronbach's alpha coefficient and found to be acceptable.

In chapter three method of this research was discussed. Correlation study designs were employed. In view of this, the study was adopted correlation survey to collect quantitative data from the respondents. Sample sizes were estimated by using, Krejcie and Morgan (1970) sample determination techniques. Multi-stage sampling techniques were used to select the study unit from the total population. Questionnaires were distributed to a total of 278 students 278 students participated with a response rate of 100%. Chapter four presented details of results and discussion was presented respectively. The result was discussed over External Locus of control. The result for variable reveals that, there was positive relationship between External locus of control and intention to start private business. The results of analysis of variance (ANOVA) and t-test indicates different accordingly. ANOVA result reveals that there is statistically significant difference in intention to start private business between college they assigned and no significant difference between students in different age groups and no significant difference in intention to start private business between students from different place of birth (see Table-5, 6& 7). According to t-test result, there is no mean difference in an intention to start private business between male and female.

The Pearson product momentum result also reveals that, there was significant positive relationship between external locus of control and an intention to start private business  $r(278) = 0.011$ ,  $p = 0.860$  at the 95% of confidence level. The finding reveals that, there is positive relationship between External locus of control and intention to start private business. This indicates that intention to start private business would be positively affected by their level of locus of control. This result implies that if locus of control (LC) is related

to students' level of confidence to start private business, the results showed that people high on external locus of control would tend to engage in private business than those high on the internal locus of control.

## CONCLUSIONS

Based on the basic research question and objective of this research the following conclusions were made.

- There is negative relationship between internal locus of control and an intention to start private business. The finding is different with different researchers who conducted study in European countries on locus of control and an intention to start private business. The result therefore, indicates that internal locus of control is most important determinant factor in success of private business.
- External locus of control was statistically significantly correlated with students' intention to start private business. This implies that intention to start private business would be significantly positively affected by individual's belief toward failure and success luck or external locus of control. This result revealed that the level of external locus of control increase or become high, the individuals intention to start private business would become increase.
- There was no statistically significant difference between male and female students intention to start private business. The result implies that male and female students have equal intention to start private business but their level of confidence or locus of control matters.
- There was no statistically significant relationship between students' intention to start private business and their place of residence.
- There was statistically significant difference in an intention to start private business between graduating class university students in different College or school groups.

## RECOMMENDATIONS

Basing on the study findings and the conclusions, the researcher derived the following recommendations:

### Objective one: internal locus of control and an intention to start private business

As discussed in chapter four of this study students' intention to start private business is negatively related with students' level of internal locus of control. Therefore, concerned bodies in the university should accept the following recommendation which is based on research findings.

Wolaita Sodo University should give training on entrepreneurship, confidence building skill training or risk taking skill training. Wolaita Sodo University should always prepare panel discussion that helps them to share their experience with each other about positive influence of risk taking in their life process.

### Objective two: External locus of control and an intention to start private business

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