

Risk, Entrepreneurial Education, and Attitude among the Emirati Youth: A Structural Equation Modeling Estimation

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Summary

Entrepreneurship is a detriment to the success and social development of many countries. It creates jobs and aids economic growth. The United Arab Emirates (UAE) especially relies heavily on entrepreneurship. Statistics show that small to medium scaled businesses contribute 40% of the total value added to Dubai's economy (Oxford Business Group, 2018). The UAE also ranked 4th in the global entrepreneurial index. One of the goals of the governments is to increase this ranking to be one of the top 3 countries (United Arab Emirates Ministry of Economy, 2021). This requires an in-depth understanding of entrepreneurship behaviour among the young Emiratis. In order to effectively promote entrepreneurship within the region, it is important to understand what the

current beliefs about entrepreneurship are. To do so, we need to research the variables that are most important for improving entrepreneurship intentions about the Emirati youth. Finding a positive or negative correlation among the variables like risk aversion, entrepreneurial education, self-efficacy and so on will help guide the correct path to take in order to promote entrepreneurship intentions.

Much research is already done in understanding the factors that impact entrepreneurship intentions like entrepreneurship attitudes, confidence and social values and so on. Research on the subject is supported by two main approaches: the theory of planned behavior and the theory of the entrepreneurial event, by, both assume that a young person's decision to build an entrepreneurial career is related to factors of contextual and individual nature. However, further research is required to look into the link between entrepreneurial intentions and its predictors

The aim of this research was to identify the most important predictors of entrepreneurial attitude and intention of UAE youth in order to help further promote entrepreneurship in the region. Some conclusions derive from this study: a) believing in one's ability has a positive impact on the intention to undertake and mitigates risk aversion; b) risk aversion reduces the intention to undertake; c) the positive attitude predicts the intention to undertake; d) the subjective norm predicts the entrepreneurial attitude; e) the effect of entrepreneurial education on the entrepreneurial intention of the young people surveyed is inconclusive.

These empirical results underscore the need for the UAE to develop national policies that provide potential entrepreneurs with access to capital, including grants and subsidies, as well as low-interest loans and the incorporation of entrepreneurship into education at all levels, in a sustainable manner.

Discussions about entrepreneurial intention and entrepreneurial education deserve to be highlighted in a country where entrepreneurship has been highly emphasized as a viable and promising alternative to the instability of the labor market and also as a competence to be reinforced even in the training of those who aim to obtain a job in the formal market.