

RESEARCH ARTICLE

INTERNAL LOCUS OF CONTROL AND ENTREPRENEURIAL INTENTION IN NEPAL: EXPLORING THE MEDIATING ROLE OF FAMILY SUPPORT

Dilli Ram Bhandari, Dhruva Prasad Subedi*

Shanker Dev Campus, Tribhuvan University, Nepal

*Corresponding Author Email: subedidhrubap@gmail.com

This is an open access journal distributed under the Creative Commons Attribution License CC BY 4.0, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited

ARTICLE DETAILS

Article History:

Received 13 July 2024
Revised 17 August 2024
Accepted 12 September 2024
Available online 25 September 2024

ABSTRACT

This study explores the role of internal locus of control in shaping the entrepreneurial intentions of women micro-entrepreneurs in Nepal, with a particular focus on the mediating effect of family support. Entrepreneurship is a vital component for economic development, especially in developing countries like Nepal, where women's participation in micro-enterprises significantly contributes to household income and community welfare. To achieve the stated objective, the data were collected from the primary source through structured questionnaire under convenience sampling technique from 322 women micro-entrepreneurs of Bharatpur Metropolitan City, Chitwan. The data were analyzed using Process Macro 4 at 95 percent confidence interval using the 5,000 bootstrapping samples. The findings reveal that women with a strong internal locus of control exhibit higher entrepreneurial intentions. Moreover, the presence of robust family support significantly enhances this relationship, providing emotional, financial, and logistical backing that enables women to pursue and sustain entrepreneurial activities. The findings of this study validated the set hypotheses that internal locus of control significantly affect the entrepreneurial intention and family support partially mediated them. These insights underscore the importance of fostering both individual psychological traits and supportive family environments to enhance women's entrepreneurial engagement. The study concludes with policy recommendations aimed at empowering women micro-entrepreneurs through targeted training programs and initiatives to strengthen family support systems.

KEYWORDS

Entrepreneurial intention, family support, internal locus of control, logistic backing, psychological traits

1. INTRODUCTION

Entrepreneurial intention refers to an individual's desire to engage in entrepreneurial activities by leveraging existing business opportunities to create new ventures (Ramayah et al., 2015). This intention fosters a positive attitude and behavior towards various risks associated with entrepreneurship (Gelderen et al., 2018). Entrepreneurial intention embarks the entrepreneurial activities, serves as a foundational step towards becoming an entrepreneur (Zhao et al., 2015). It reflects an individual's belief in their capability to initiate and manage a new business venture, indicating both desire and readiness to pursue entrepreneurship (Yildirim et al., 2016). Characterized by an awareness of business opportunities and a proactive mindset, entrepreneurial intention guides individuals towards future entrepreneurial behaviors (Ramayah et al., 2015). This intentionality is influenced by various internal and external factors, among which internal locus of control and family support have garnered significant attention.

Internal locus of control refers to an individual's belief about the underlying causes of events in their life (Flippo, 2010). Locus of control is a psychological construct that refers to an individual's belief in their ability to influence outcomes through their actions and decisions (Rotter, 2016). Those with an internal locus of control attribute their successes and failures to their own efforts and abilities, demonstrating a proactive approach to achieving their goals (Flippo, 2010). This internal belief system plays a crucial role in shaping entrepreneurial intention, influencing individuals' aspirations, motivations, and behaviors towards

entrepreneurship (Baldegger et al., 2017).

The role of family support, another critical determinant of entrepreneurial intention, is characterized by emotional, informational, and instrumental assistance provided by family members (Altinay et al., 2022). Family support serves as a source of encouragement, guidance, and resources, bolstering individuals' confidence and resolve to pursue entrepreneurial endeavors (Sarafino and Smith, 2022). Particularly for women entrepreneurs, family support plays a pivotal role in overcoming societal barriers and fostering economic empowerment (Baluku et al., 2020). In context of Nepal, women entrepreneurship is emerging as a significant economic force, understanding the interplay between internal locus of control, family support, and entrepreneurial intention becomes imperative (Chaudhary, 2016). Despite facing societal challenges and limited access to resources, women entrepreneurs in Nepal contribute significantly to the micro and small enterprise sector, driving economic growth and social transformation (Gupta and Mirchandani, 2018). However, they continue to grapple with gender-based discrimination, unequal access to education and resources, and limited family support, hindering their entrepreneurial aspirations (Sigdel, 2017).

Therefore, this study aims to investigate the relationship between internal locus of control, family support, and entrepreneurial intentions among female micro entrepreneurs in Bharatpur Metropolitan city, Chitwan. By examining these relationships, the study seeks to contribute to a deeper understanding of the factors shaping entrepreneurial intention among women entrepreneurs in Nepal, offering insights for policymakers, practitioners, and researchers aiming to promote gender-inclusive

Quick Response Code



Access this article online

Website:
www.ccsj.com.my

DOI:
10.26480/ccsj.01.2024.11.18

entrepreneurship and economic empowerment initiatives.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

The concept of internal locus of control refers to an individual's belief that they have control over the outcomes of their actions. People with a strong internal locus of control feel confident that their decisions and efforts directly influence their success and failures (Zhao et al., 2019). It is a critical psychological trait that significantly influences entrepreneurial intentions. Research consistently shows that individuals with a strong belief in their ability to control outcomes are more likely to pursue and succeed in entrepreneurial ventures (Son et al., 2018). This relationship underscores the importance of fostering an internal locus of control, particularly in educational settings, to encourage the next generation of entrepreneurs. By understanding and leveraging this trait, educators, policymakers, and mentors can better support individuals in realizing their entrepreneurial potential. Internal locus of control is a significant psychological trait that positively influences entrepreneurial intentions (Shastri et al., 2019). It fosters the necessary mindset and behaviors for successful entrepreneurship, including proactive initiative, resilience, goal orientation, and innovative thinking. The relationship between internal locus of control and entrepreneurial intentions is well-documented in psychological and entrepreneurial research.

2.1 Internal Locus of Control and Entrepreneurial Intention

Levenson explains that an internal locus of control is a personality trait that reflects individuals' perception of their ability to influence various life events through their actions (Levenson, 2021). Those with a strong internal locus of control believe they can affect situations through their efforts. Some researcher further emphasize that individuals who perceive their actions as impactful on their lives exhibit this trait (Lii and Wong, 2018). The literature extensively explores and documents the connection between internal locus of control and entrepreneurial intention. Ang and Hong established that an internal locus of control is a key determinant of entrepreneurial intention (Ang and Hong, 2020). They highlighted that an internal locus of control supports to develop the entrepreneurial intention. They argued that individuals who believe in their capacity to influence outcomes are more likely to pursue entrepreneurial ventures. This finding is echoed by who demonstrated that an internal locus of control not only boosts entrepreneurial intentions but also enhances the likelihood of individuals to act on these intentions (Zhao et al., 2010).

Similarly, a group researcher demonstrated that possessing an internal locus of control can enhance individuals' entrepreneurial intentions (Zhao et al., 2019). In other study, authors further confirmed the significant role of internal locus of control in the formation of entrepreneurial intentions (Baldegger et al., 2017). Tentama and Abdussalam also found that an internal locus of control positively influences entrepreneurial intention (Tentama and Abdussalam, 2020). Individuals with an internal locus of control are more likely to pursue entrepreneurship because they believe that their decisions and actions directly impact their success in entrepreneurial ventures (Karabulut, 2016). This trait is particularly relevant among female entrepreneur, where a strong internal locus of control can positively influence their entrepreneurial intentions, as evidenced (Hsiung, 2018). The correlation between a strong internal locus of control and entrepreneurial intention is also supported by Kristiansen and Indarti, who concluded that the stronger the internal locus of control, the higher the entrepreneurial intention (Kristiansen and Indarti, 2024). Based on the above facts, the following hypothesis has been developed:

H₁: Internal locus of control has a significant effect on entrepreneurial intention.

2.2 Internal Locus of Control and Family Support

Recent research highlights a significant relationship between internal locus of control and family support in shaping entrepreneurial intentions. Individuals with a strong internal locus of control, who believe they have control over their life outcomes through their own actions, tend to exhibit higher entrepreneurial intentions. This belief in personal agency drives proactive behavior and persistence, key traits for successful entrepreneurship. For example, a study involving vocational high school students found that internal locus of control significantly predicts entrepreneurial intentions, even more so than family support (Annisa et al., 2021). Family support, which includes emotional, social, and financial assistance, is also critical in fostering entrepreneurial intentions.

A supportive family environment boosts confidence and motivation, enabling individuals to take entrepreneurial risks. Emotional support from family members enhances resilience, while financial backing

provides the necessary resources to initiate and sustain business ventures. Research indicates that family support significantly impacts entrepreneurial self-efficacy and motivation, thereby increasing the likelihood of entrepreneurial activities (Hassan et al., 2020). Additionally, cohesive and supportive families help mitigate perceived risks and uncertainties associated with entrepreneurship, encouraging young individuals to pursue entrepreneurial opportunities (Edelman et al., 2016). These findings underscore that while internal locus of control is a crucial driver, the interplay between personal belief in one's capabilities and the external support from family creates a robust foundation for entrepreneurial intentions. The combined influence of these factors enables young entrepreneurs to effectively navigate the challenges of starting and running a business (Annisa et al., 2021; Hassan et al., 2020). Based on the above facts, the following hypothesis has been proposed:

H₂: Internal locus of control has a significant effect on family support for entrepreneurial intention.

2.3 Family Support and Entrepreneurial Intention

Family support plays a crucial role in shaping entrepreneurship intentions, serving as both a motivational and practical foundation for aspiring entrepreneurs. This influence can manifest through emotional backing, financial assistance, and the provision of valuable social networks, all of which contribute to the decision-making process and persistence required for entrepreneurial endeavors (Wang et al., 2021). Emotional backing from family members instills confidence and resilience, essential during the uncertain early stages of entrepreneurship. This support reduces stress and fosters a secure environment where aspiring entrepreneurs can take calculated risks and recover from setbacks more effectively (Wang et al., 2021). Financial assistance from family, whether through direct investment or loans, lowers entry barriers, enabling entrepreneurs to focus on their business objectives without the pressure of securing external funding, which often comes with stringent conditions (Powell and Eddleston, 2023). Additionally, the social capital provided by family networks can open doors to crucial contacts, including potential customers, suppliers, and mentors, thereby facilitating market entry and growth (Anderson et al., 2015).

Families also play a critical role in skill development and knowledge transfer, especially when relatives have entrepreneurial experience themselves. This mentorship can provide practical advice and insights, enhancing the entrepreneurial skills and mindset necessary for success (Ramos-Rodríguez et al., 2020). Cultural context further shapes the degree of family support, with some cultures inherently valuing entrepreneurship more highly than others, thereby influencing the encouragement and resources provided (Hofstede, 2021). However, it is crucial for entrepreneurs to balance this support with their autonomy to avoid potential conflicts and ensure innovative freedom. Overall, family support mitigates many risks associated with entrepreneurship, fostering a conducive environment for entrepreneurial intentions and success (Kim et al., 2023). Based on the above facts, the following hypothesis has been developed:

H₃: Family support has a significant indirect effect on entrepreneurial intention.

2.4 Family Support as Mediator between Internal Locus Control and Entrepreneurial Intention

Recent research underscores the importance of family support in mediating the relationship between an internal locus of control and entrepreneurial intention. Individuals with a strong internal locus of control, who believe in their ability to influence outcomes through their actions, are naturally inclined toward entrepreneurship. However, this inclination is significantly strengthened by family support, which offers emotional, financial, and practical assistance, thereby reducing the perceived risks and uncertainties associated with entrepreneurial ventures (Al Issa et al., 2023). Family support enhances this relationship through various mechanisms. Firstly, it provides essential resources such as capital, workspace, and business networks, lowering the barriers to entry for aspiring entrepreneurs (Bhandari, 2022). Emotional support from family member boosts self-confidence and resilience, reinforcing the individual's belief in their ability to succeed despite challenges (Prasetyo et al., 2023).

Additionally, family support reduces perceived risks, encouraging individuals to take entrepreneurial risks that align with their internal locus of control (Pham and Muntz, 2023). A study by some researchers found that family support significantly enhances the positive relationship between an internal locus of control and entrepreneurial intentions (Hsieh

et al., 2022). Individuals with an internal locus of control were more likely to pursue entrepreneurial ventures when they had substantial family backing. Similarly, Sarma and Borah demonstrated that family support provides not only practical resources but also emotional and motivational support, which are critical for sustaining entrepreneurial efforts (Sarma and Borah, 2022). Furthermore, a group researcher emphasized that a supportive family network amplifies the confidence derived from an internal locus of control, thereby fostering entrepreneurial intention (Khan et al., 2023).

This aligns with findings by who noted that family support often acts as a buffer against the stresses and uncertainties of entrepreneurship, enhancing the likelihood of business success (Stroe et al., 2023). In summary, the interplay between an internal locus of control, family support, and entrepreneurial intention highlights the multifaceted nature of entrepreneurial motivation. While an internal locus of control provides the psychological foundation for entrepreneurial intention, family support acts as a crucial mediator, translating this intention into actionable entrepreneurial behavior. Thus, fostering a supportive family environment is as important as cultivating an individual's internal locus of control in promoting entrepreneurship. Based on the above facts, the following hypothesis has been developed:

H₄: Family support mediates the relationship between internal locus control entrepreneurial intention.

2.5 Theoretical Model

Figure 1 illustrates the theoretical mediation model utilized in this study, adapted from Model 4 of the Process macro developed (Hayes, 2022). The model includes a sole mediating variable, family support (FS), positioned between the independent variable, locus of control (LC), and the dependent variable, entrepreneurial intention (EI). Figure 1(a) presents the total effect model (c-path) depicting the relationship between the independent and dependent variables. Conversely, Figure 1(b) portrays the indirect effects model, delineating the indirect paths (a-path and b-path) as well as the direct effects between the independent and dependent variables, while controlling for the mediating variable (c'-path).

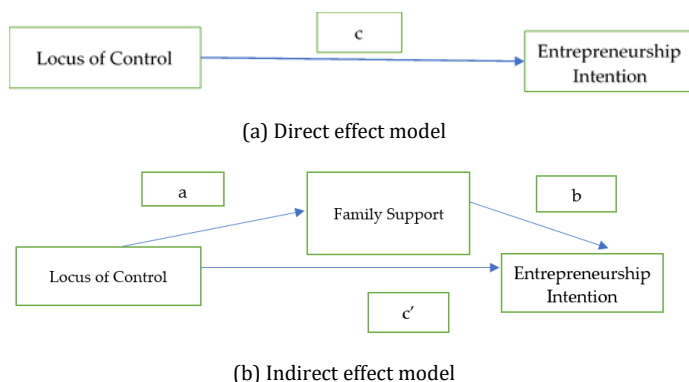


Figure 1: Hypothetical Mediation Model of the Study

The overall impact of the independent variable on the dependent variable is illustrated by the regression coefficient predicting the dependent variable from the independent variable, referred to as the c-path, as displayed in Figure 1(a). Figure 1(b) illustrates the indirect effects of the independent variable on the dependent variable, computed as the product of the a-path and b-path (ab). The a-path signifies the regression coefficient estimating the relationship between the independent variable and the mediating variable, while the b-path denotes the partial regression coefficient estimating the effect of both the independent and mediating variables on the dependent variable. Furthermore, Figure 1(b) also presents the c'-path, representing the direct effect of the independent variable on the dependent variable while accounting for the mediating variable.

3. RESEARCH METHODS

This study has employed a descriptive and casual comparative research design to achieve the stated objectives. The population of study comprises all the female entrepreneurs operating micro enterprises in Bharatpur Metropolitan city, Chitwan. The sample size for this study was 233 respondents. The questionnaire was distributed via personal visits, email, and social media applications. Convenience sampling technique was used in this study. Altogether, 280 questionnaires were distributed, out of which 250 were returned (The response rate being 89 percent). Finally, 233 responses were used for data analysis, 17 were removed due to

multiple non-responses. The collected data were analyzed using process macro 4 (Hayes, 2022). To establish the internal reliability of the model, the Cronbach's alpha reliability test has been conducted. This test helps determine whether the items within each dimension were internally consistent or not. The obtained Cronbach's Alpha values for each variable exceeded 0.7, indicating the reliability of the data for further analysis and tests (Taber, 2018). Table 1 shows the Cronbach's alpha scores of all variables.

Table 1: Reliability Analysis

Variables	Cronbach's Alpha	No. of items	Remarks
Locus of Control	0.922	7	Reliable
Family Support	0.875	5	Reliable
Entrepreneurial Intention	0.949	13	Reliable

All the three variables satisfy the reliability threshold ranging the Cronbach alpha from 0.875 to 0.949 (Cronbach, 1951). It describes the extent to which all the items in a test measure the same concept (Tavako and Dennick, 2011). The study relies on primary data acquired through structured questionnaires encompassing a range of variables. The initial section of the questionnaire focused on gathering demographic information about the respondents, including age group, marital status, academic qualifications, religion, forms of business, types of family, amount of investment and number of employees. The subsequent part of the questionnaire focused on the locus of control and entrepreneurial intention as well as family support. In this study, a 5-point Likert scale was employed to measure the level of various dimensions of locus of control affecting the entrepreneurial intentions of female entrepreneurs in Bharatpur metropolitan city, Chitwan. This research explores the relationship between locus of control and entrepreneurial intentions on the mediating effect of family support. The data were collected from 233 female entrepreneurs operating different types of business. Table 2 presents the types of business that are running by women entrepreneurs.

Table 2: Types of Business run by women Entrepreneurs

S.N.	Types of Business	No. of Respondents	Percentage
1.	Tailoring	20	8.58
2.	Beauty Parlor	22	9.44
3.	Boutique Shop	21	9.01
4.	Cosmetic Shop	23	9.87
5.	Grocery Shop	13	5.58
6.	Fancy House	42	18.03
7.	Restaurant	10	4.29
8.	Milk Dairy	9	3.86
9.	Book and Stationery	12	5.15
10.	Medical and Surgical store	5	2.15
11.	Vegetable Shop	12	5.15
12.	Sweet shops	5	2.15
13.	Electrical Shop	6	2.58
14.	Livestock	12	5.15
15.	Beekeeping	4	1.72
16.	Bakery Shops	8	3.43
17.	Handicraft Business	9	3.86
Total		233	100

Table 2 illustrates that the highest percentage of women entrepreneurs, at 18.03%, are engaged in fancy store businesses, while the lowest, at 1.72%, are involved in beekeeping. The analysis of the table reveals that a significant number of women entrepreneurs are participating in conventional business sectors, largely influenced by limited access to business knowledge, training, and technical skills. Nonetheless, these entrepreneurs demonstrate a strong willingness to acquire technical expertise and are prepared to transition away from traditional business models to enhance their professional opportunities.

Table 3: Demographic Profile of Respondents

Variables	Frequency	Percent
Marital Status		
Married	185	79.4
Unmarried	48	20.6
Age		
20-30	45	19.31
31-40	65	27.9
41-50	88	37.77
Above 50	35	15.02
Academic Qualification		
Literate	48	20.6
School Level	95	40.77
Bachelor	81	34.77
Above Bachelor	9	3.86
Forms of Business		
Sole Trading	145	62.23
Partnership	30	12.88
Private Company	58	24.89
Types of Family		
Joint Family	98	42.06
Nuclear	135	57.94
Amount of Investment		
Up to 2,00,000	65	27.9
2,00,001-5,00,000	62	26.61
5,00,001-10,00,000	42	18.03
Above 10,00,000	64	27.46
No. of Employees		
None	102	43.78
Up to 5	98	42.06
6 to 10	25	10.73
Above 10	8	3.43

Table 3 revealed the respondents' profile. Out of the total respondents, 79.4 percent respondents were married and 20.6 percent were unmarried. The survey showed that the majority of married women are involved in their own business in the comparison of unmarried women. Out of them, 19.31 percent were between the age of 20 to 30 years, 27.9 percent on the age group 31 to 40 years, 37.77 percent on the age group 41-50 and 15.02 percent belongs the age group above 50. Out of the total respondents, 20.6 percent women entrepreneur were literate, 40.77 percent have passed school level, 34.77 percent have passed bachelor's degree and 3.86 percent have above bachelor degree. Majority of the respondents (62.33 percent) have registered their business as sole trading concern; 12.88

percent have partnership firm and only 24.89 percent have private company. Majority of the respondents (57.94 percent) have nuclear family and 42.06 percent have joint family. Out of the total respondents, 27.9 percent respondents invested up to 2,00,000, 26.61 percent respondents invested 2,00,001 to 5,00,000, 18.03 percent invested 5,00,001 to 10,00,000 and 27.46 percent invested more than 10,00,000 in their business. Out of the total respondents, 43.78 percent women entrepreneur running their business without any employees, 42.06 percent have 1 to 5 employees, 10.73 percent have 6 to 10 employees and 3.43 percent have more than 10 employees.

4. RESULTS

4.1 Descriptive Analysis

The descriptive analysis and correlation coefficients of the variables used in the study has been presented in table 4. The mean values for Internal Locus of Control (ILC), Entrepreneurial Intention (EI) and Family Support (FS) were 3.32, 3.44, and 3.05 respectively. It implies that all these factors are perceived as in the satisfactory state in their respective organizations since the questionnaire items were based on a 5-points Likert scale.

Table 4: Descriptive Analysis and Correlation Coefficients

	Mean	SD	ILC	EI	FS
ILC	3.32	0.92	1		
EI	3.44	0.94	0.780**	1	
FS	3.05	0.92	0.634**	0.715**	1

**p < 0.01 Source: Field survey, 2024

The Pearson Correlation Co-efficient test was employed to analyze the correlation between the variables under study. The analysis shows a positive and significant relationship between ILC, EI and FS. ILC has positive and significant relationship with the mediating variable FS ($r = 0.634$, $p < 0.00$) and the dependent variable EI ($r = 0.780$, $p < 0.00$). Moreover, the mediating variable FS showed a more significant and stronger relationship with it ($r = 0.715$, $p < 0.00$).

4.2 Test of Hypothesis

The primary objective of this study is to examine the direct and indirect effects of ILC on EI, with FS acting as a mediator. Thus, ILC is the independent variable, EI is the dependent variable, and FS is the mediating variable. The hypotheses were tested through a mediation analysis which was conducted using the PROCESS macro (Hayes, 2013). The analysis includes the calculation of confidence intervals for indirect effects using bootstrapping with 5000 samples.

4.3 Total Effects of Internal Locus of Control to Entrepreneurial Intention (c path)

Table 5 presents the total effect of Internal Locus of Control (ILC) on Entrepreneurial Intention (EI). The results indicate that ILC significantly influences EI ($\beta = 0.7998$, $p = 0.0000$, LLCI = 0.7167, ULCI = 0.8830). As the confidence interval does not include zero, the total effect of ILC on EI (path c) is significant. Therefore, H₁, which posits that ILC has a significant effect on EI is supported.

Table 5: Regression Analysis of ILC on EI

R	R-sq	MSE	F	df1	df2	P
0.7802	0.6086	0.3500	359.2433	1	231	0.00
Model						
	Coefficient	SE	t	p	LLCI	ULCI
Constant	0.7891	0.1452	5.4329	.0000	0.5029	1.0752
ILC	0.7998	0.0422	18.9537	.0000	0.7167	0.8830

4.4 Relationship between Internal Locus of Control and Family Support (path a)

The results from the Process macro for the indirect effect of ILC on FS are shown in Table 6. ILC has a significant impact on FS ($\beta = 0.6371$, $p = 0.000$,

LLCI = 0.5362, ULCI = 0.7379). Because the confidence interval does not include zero, the effect of ILC on FS (path a) is significant. Therefore, hypothesis H₂, which states that ILC positively and indirectly predicts FS, is supported.

Table 6: Regression Analysis of ILC on FS

R	R-sq	MSE	F	df1	df2	P
0.6337	0.4016	0.5147	155.0050	1	231	0.00
Model						
	Coefficient	SE	t	p	LLCI	ULCI
Constant	0.9384	0.1761	5.3284	0.0000	0.5914	1.2854
ILC	0.6371	0.0512	12.4501	0.0000	0.5362	0.7379

4.5 Indirect Effects of Family Support on Entrepreneurial Intention (b path)

Table 7 displays the regression results with Entrepreneurial Intention (EI) as the dependent variable and both Internal Locus of Control (ILC) and

Family Support (FS) as independent variables. FS has a significant indirect effect on EI ($\beta = 0.3751$, $t = 7.7466$, $p = .000$, $LLCI = 0.2797$, $ULCI = 0.4706$). Since the confidence interval does not include zero, the b path is significant, supporting H_3 , which asserts that FS positively and indirectly predicts EI is supported.

Table 7: Regression Analysis of ILC and FS on EI

R	R-sq	MSE	F	df1	df2	P
0.8304	0.6896	0.2788	255.5118	2	230	0.00
Model						
	Coefficient	SE	t	p	LLCI	ULCI
Constant	0.4370	0.1374	3.1817	0.0017	0.1664	0.7077
ILC	0.5608	0.0487	11.5198	0.0000	0.4649	0.6568
FS	0.3751	0.0484	7.7466	0.0000	0.2797	0.4706

4.6 Direct Effects of ILC on EI While Controlling for FS (c' path)

When controlling for FS, ILC has a significant effect on EI ($\beta = 0.5608$, $t = 11.5158$, $p = 0.0000$, $LLCI = 0.4649$, $ULCI = 0.6568$). This indicates that FS

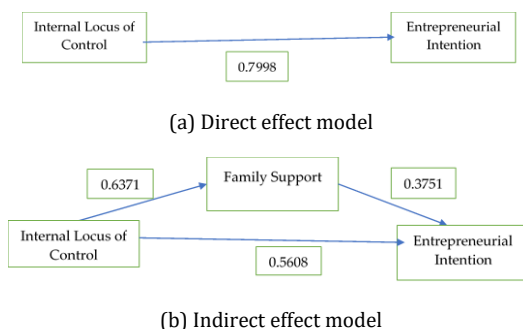
partially mediates the relationship between ILC and EI. The indirect effect of ILC on EI via FS is also significant ($\beta = 0.2390$, bootstrapped 95% CI: [0.1431, 0.3414]), demonstrating that ILC influences EI through FS as well.

Table 8: Summary of Total, Direct, and Indirect Effects of ILC on EI

Effect Type	Effect	SE	t	p	LLCI	ULCI
Total Effect of ILC on EI	0.7998	0.0422	18.9537	0.0000	0.7167	0.8830
Direct Effect of ILC on EI	0.5608	0.0487	11.5198	0.0000	0.4649	0.6568
Indirect Effect of ILC on EI through FS			Effect	BootSE	BootLLCI	BootULCI
FS			0.2390	0.0503	0.1431	0.3414

The results support a partial mediation model where FS mediates the relationship between ILC and EI. ILC significantly affects FS, which in turn significantly affects EI. Therefore, H_4 , stating that FS mediates the relationship between ILC and EI, is accepted.

The mediation analysis indicates that ILC significantly affects EI both directly and indirectly through FS. The total effect of ILC on EI is partially mediated by FS, underscoring the importance of considering both direct and indirect pathways to fully understand the impact of ILC on EI. The final measurement model has been presented in figure 2.

**Figure 2:** Final mediation model

The findings of this study reveal that internal locus of control has a significant effect on entrepreneurial intention of female entrepreneurs. Internal locus of control and family support are important factors for enhancing the entrepreneurial intention in Nepalese context. The study

further supported that individuals with an internal locus of control tend to develop entrepreneurial intentions and perform well in entrepreneurial roles. Furthermore, a study found that an individual's perception of their ability to control the outcomes of their actions has a significant influence on their entrepreneurial intentions.

5. DISCUSSION

The primary aim of this research was to explore the mediating role of Family Support (FS) in the relationship between Internal Locus of Control (ILC) and Entrepreneurial Intention (EI) among female micro-entrepreneurs in Bharatpur Metropolitan City, Chitwan, Nepal. The findings of the study support a partial mediation model, demonstrating that Family Support plays a crucial mediating role in the link between ILC and EI. Specifically, the results reveal that ILC significantly influences the level of Family Support received by female micro-entrepreneurs, which subsequently has a substantial impact on their Entrepreneurial Intentions.

This study indicates that female micro-entrepreneurs who exhibit a strong Internal Locus of Control believing they have control over their life events and outcomes tend to receive higher levels of support from their families. This familial support, in turn, greatly enhances their intentions to pursue entrepreneurial activities. The study highlights the interconnectedness of psychological factors and social support systems in fostering entrepreneurial intentions.

The implications of these findings are significant for policymakers, development practitioners, and support organizations aiming to promote female entrepreneurship in Nepal. Programs designed to strengthen the Internal Locus of Control among female entrepreneurs should also consider strategies to enhance family support mechanisms. By fostering

environments where family support is robust and consistent, the entrepreneurial intentions of female micro-entrepreneurs can be significantly bolstered, leading to greater entrepreneurial activity and economic empowerment among women in Nepal. This dual focus on individual psychological empowerment and family dynamics can serve as a comprehensive approach to supporting and sustaining female entrepreneurship in the region.

The study has similar and contradict result with the previous studies. Some researchers found a significant positive correlation between internal locus of control and entrepreneurial intentions (Mueller and Thomas, 2001). They emphasized that individuals perceiving control over life events are more inclined towards entrepreneurial activities. Similarly, Rauch and Frese indicated that an internal locus of control correlates with entrepreneurial success and proactive behavior (Rauch and Frese, 2007). A group researcher further supported this, demonstrating that individuals with an internal locus of control tend to develop entrepreneurial intentions and perform well in entrepreneurial roles (Zhao et al., 2010). Furthermore, a study found that an individual's perception of their ability to control the outcomes of their actions has a significant influence on their entrepreneurial intentions (Aulia and Evanita, 2020). Women who believe they control their destinies exhibit higher entrepreneurial intentions due to increased self-efficacy and a greater propensity for risk-taking, both essential traits for entrepreneurship (Frontiers, 2024).

However, Shapero and Sokol highlight the importance of social and environmental factors over individual traits in shaping entrepreneurial behavior (Shapero and Sokol, 2022). Fayolle, Gailly, and Lassas-Clerc suggest that educational interventions can outweigh the influence of personal traits, indicating a more nuanced view of entrepreneurial intention (Fayolle et al., 2016). Regarding the mediating role of family support, found that strong family support amplifies entrepreneurial intentions among individuals with an internal locus of control (Zellweger et al., 2011). Similarly, Liñán and Santos highlighted the role of family support in translating internal locus of control into entrepreneurial aspirations (Liñán and Santos, 2007). However, some researcher also concluded that family support may not effectively mediate the relationship between internal locus of control and entrepreneurial intention (Shirokova et al., 2016).

6. CONCLUSION

The study on the role of internal locus of control in the entrepreneurial intention of women micro-entrepreneurs in Nepal, with a focus on the mediating role of family support, reveals several significant insights. Firstly, it confirms that an internal locus of control, characterized by a strong belief in one's own ability to control events and outcomes, is a critical determinant of entrepreneurial intention among women micro-entrepreneurs. Women who believe that they have control over their entrepreneurial success are more likely to exhibit higher entrepreneurial intentions.

Secondly, the research highlights the pivotal role of family support as a mediator in this relationship. Family support, encompassing emotional, financial, and practical assistance, significantly enhances the entrepreneurial intentions of women micro-entrepreneurs. The findings suggest that family support not only provides the necessary resources and encouragement but also reinforces the women's confidence in their entrepreneurial capabilities, thereby amplifying the effect of an internal locus of control on entrepreneurial intention. Moreover, the study underscores the unique socio-cultural context of Nepal, where family dynamics play an influential role in women's entrepreneurial activities. In a society where women often face additional barriers to entrepreneurship, such as societal norms and limited access to resources, family support emerges as a vital enabler of entrepreneurial endeavors.

In conclusion, fostering an internal locus of control and enhancing family support are crucial strategies for promoting entrepreneurship among women micro-entrepreneurs in Nepal. Policies and programs aimed at encouraging women's entrepreneurship should focus on building their self-efficacy and ensuring robust family support systems. By addressing these areas, it is possible to create a more conducive environment for women entrepreneurs, thereby contributing to economic development and gender equality in Nepal.

IMPLICATION OF THE STUDY

The research on the role of internal locus of control in the entrepreneurial intentions of women micro-entrepreneurs in Nepal, with a focus on the mediating role of family support, highlights significant implications for policy, education, and social frameworks. It underscores the necessity for

targeted support programs that enhance self-efficacy among women and involve their families, promoting a supportive home environment conducive to entrepreneurial activities. Educational initiatives can integrate personal development and entrepreneurial skills into their curricula, while awareness campaigns can shift cultural attitudes to recognize and value the role of family support. This research also suggests practical strategies for women entrepreneurs to leverage family support and self-empowerment, contributing to broader gender equality in entrepreneurship. Furthermore, it opens avenues for future research on the interplay between personal and familial factors in different cultural contexts and emphasizes the importance of tailored support services and mentorship programs in business development.

LIMITATION AND SCOPE FOR FUTURE RESEARCH

This study on the role of internal locus of control in the entrepreneurial intentions of women micro-entrepreneurs in Nepal, with a focus on the mediating role of family support, is limited by factors such as a potentially non-representative sample size, reliance on self-reported data, and the cross-sectional nature of the research, which hinders causal inferences. Additionally, cultural specificity and the narrow scope of examined variables further constrain the generalizability of findings. Future research should consider longitudinal studies to establish causality, diversify the sample to include various socio-economic backgrounds, and conduct comparative studies across different cultural contexts. Exploring the impact of other support systems, digital tools, and additional mediators and moderators, alongside qualitative methods, can provide a more comprehensive understanding of the factors shaping entrepreneurial intentions among women micro-entrepreneurs in Nepal.

REFERENCES

- Al Issa, H., Al Shayeb, A., Mohammed, A., and Al Awadhi, R., 2023. The impact of family support on entrepreneurial intentions: A comparative study between the UAE and KSA. *International Journal of Entrepreneurship and Innovation*, 24 (2), Pp. 123-139.
- Altinay, L.M., Madanoglu, R., Daniele and Lashley, C., 2022. The influence of family tradition and psychological traits on entrepreneurial intention. *International Journal of Hospitality Management*, 31 (2), Pp. 489-499. <http://dx.doi.org/10.1016/j.ijhm.2011.07.007>
- Anderson, A.R., Jack, S.L., and Drakopoulou Dodd, S., 2005. The Role of Family Members in Entrepreneurial Networks: Beyond the Boundaries of the Family Firm. *Family Business Review*, 18 (2), Pp. 135-154. <https://doi.org/10.1111/j.1741-6248.2005.00037.x>
- Ang, S.H., and Hong, D.G.P., 2000. Entrepreneurial spirit among East Asian Chinese. *Thunderbird International Business Review*, 42 (3), Pp. 285-309. [https://doi.org/10.1002/1520-6874\(200005/06\)42:3%3C285::AID-TIE2%3E3.0.CO;2-5](https://doi.org/10.1002/1520-6874(200005/06)42:3%3C285::AID-TIE2%3E3.0.CO;2-5)
- Annisa, D.N., Tentama, F., and Bashori, K., 2021. The role of family support and internal locus of control in entrepreneurial intention of vocational high school students. *International Journal of Evaluation and Research in Education*, 10 (2), Pp. 381-388. <http://doi.org/10.11591/ijere.v10i2.20934>
- Aulia, M., and Evanita, S., 2020. The influence of locus of control, need for achievement, and campus environment on students' entrepreneurship interest of Universitas Negeri Padang. *Advances in Economics, Business and Management Research*, 138, Pp. 129-134. <https://doi.org/10.2991/aebmr.k.200305.124>
- Baldegger, U., Schroeder, S.H., and Furtner, M.R., 2017. The self-loving entrepreneur: Dual narcissism and entrepreneurial intention. *International Journal of Entrepreneurial Venturing*, 9 (4), Pp. 373-391. <http://dx.doi.org/10.1504/IJEV.2017.088639>
- Baluku, M.M., Kikooma, J.F., Otto, K., König, C.J., and Bajwa, N.U.H., 2020. Positive psychological attributes and entrepreneurial intention and action: The moderating role of perceived family support. *Frontiers Media*, 11 (3), Pp. 45-57. <https://doi.org/10.3389/fpsyg.2020.546745>
- Bhandari, H., 2022. Family support and entrepreneurial intentions among university students: Evidence from Nepal. *Journal of Global Entrepreneurship Research*, 12 (1), Pp. 15-28. <https://doi.org/10.3126/jems.2.v1i2.67785>
- Chaudhary, M.K., 2016. Status of women entrepreneurship: Motivational and challenging factors in Nepal. *International Journal of New*

- Practices in Management and Engineering, 5 (2), Pp. 8-18. ISSN: 2250-0839
- Cronbach, L.J., 1951. Coefficient alpha and the internal structure of tests. *Psychometrika*, 16 (4), Pp. 297-334. <https://doi.org/10.1007/BF02310555>
- Dewi, L., 2024. The Role of Family Support in Entrepreneurial Endeavors: Perspectives from Family-Owned Businesses. *Research Square*, 10 (4), <https://doi.org/10.21203/rs.3.rs-4003999/v1>
- Dubey, P., 2024. The effect of entrepreneurial characteristics on attitude and intention: an empirical study among technical undergraduates. *Journal of Business and Socio-economic Development*, 4 (3), Pp. 272-289. <https://doi.org/10.1108/JBSED-09-2021-0117>
- Edelman, L.F., Manolova, T.S., and Brush, C.G., 2016. The impact of family support on young entrepreneurs' entrepreneurial intentions. *Journal of Business Venturing Insights*, 5 (2), Pp. 1-9. <http://dx.doi.org/10.1016/j.jbusvent.2016.04.003>
- Fayolle, A., Gailly, B., and Lassas-Clerc, N., 2006. Assessing the impact of entrepreneurship education programmes: A new methodology. *Journal of European Industrial Training*, 30 (9), Pp. 701-720. <https://doi.org/10.1108/03090590610715022>
- Flippo, C.M., 2010. Locus of control and self-esteem as correlates of managerial effectiveness. *Journal of Social Psychology*, 17 (2), Pp. 176-188.
- Gelderen, M., Brand, M., Praag, M., Poutsma, E., Bodewes, W., and Gils, A., 2008. Explaining entrepreneurial intentions by means of the theory of planned behavior. *Career Development International*, 13 (2), Pp. 538-559. <http://dx.doi.org/10.1108/13620430810901688>
- Gupta, N., and Mirchandani, A., 2018. Investigating entrepreneurial success factors of women-owned SMEs in UAE. *Management Decision*, 56 (1), Pp. 219-232. <http://dx.doi.org/10.1108/MD-04-2017-0411>
- Hassan, M., Anwar, I., and Ali Shah, S.Z., 2020. Do entrepreneurial self-efficacy, entrepreneurial motivation, and family support enhance entrepreneurial intention? The mediating role of entrepreneurial education. *Journal of Entrepreneurship in Emerging Economies*, 12 (4), Pp. 35-47.
- Hayes, A.F., 2022. Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach (Vol. 3). The Guilford Press.
- Hofstede, G., 2021. Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations. Sage Publications. [http://dx.doi.org/10.1016/S0005-7967\(02\)00184-5](http://dx.doi.org/10.1016/S0005-7967(02)00184-5)
- Hsieh, H.L., Huang, K.P., and Ye, H.H., 2022. The role of family support in the relationship between internal locus of control and entrepreneurial intentions in Taiwan. *Asia Pacific Journal of Innovation and Entrepreneurship*, 16 (3), Pp. 389-406. <http://dx.doi.org/10.11591/ijere.v10i2.20934>
- Hsiung, T., 2018. Satisfaction with entrepreneurial education and entrepreneurial intention: The moderating role of internal locus of control. *International Journal of Education and Research*, 6 (4), Pp. 139-146. ISSN:2411-5681
- Karabulut, A.T., 2016. Personality traits on entrepreneurial intention. *Procedia Social and Behavioral Sciences*, 22 (9), Pp. 12-21. <http://dx.doi.org/10.1016/j.sbspro.2016.07.109>
- Khan, A.A., Farrukh, M., and Mitra, J., 2023. The interplay of family support, internal locus of control, and entrepreneurial intention among South Asian immigrants in the UK. *Journal of Entrepreneurship in Emerging Economies*, 15 (1), Pp. 78-95.
- Kim, P.H., Aldrich, H.E., and Keister, L.A., 2013. Access (not) denied: The impact of financial, human, and cultural capital on entrepreneurial entry in the United States. *Small Business Economics*, 41 (4), Pp. 685-701. <http://dx.doi.org/10.1007/s11187-006-0007-x>
- Kristiansen, S., and Indarti, N., 2024. Entrepreneurial intention among Indonesian and Norwegian students. *Journal of Enterprising Culture*, 12 (1), Pp. 55-78. <https://doi.org/10.1142/S021849580400004X>
- Levenson, H., 2021. Differentiating among internality, powerful others, and chance. *Research with the Locus of Control Construct*, 12 (2), Pp. 15-33. <http://dx.doi.org/10.1016/B978-0-12-443201-7.50006-3>
- Lii, S.Y., and Wong, S.Y., 2018. The antecedents of overseas adjustment and commitment of expatriates. *The International Journal of Human Resource Management*, 19 (2), pp. 296-313. <http://dx.doi.org/10.1080/09585190701799861>
- Linan, F., and Santos, F.J., 2007. Does social capital affect entrepreneurial intentions? *International Advances in Economic Research*, 13 (4), Pp. 443-453. <http://dx.doi.org/10.1007/s11294-007-9109-8>
- Mueller, S., and Thomas, A., 2001. Culture and entrepreneurial potential: A nine countries study of locus of control and innovativeness. *Journal of Business Venturing*, 16 (4), Pp. 51-75. [https://doi.org/10.1016/S0883-9026\(99\)00039-7](https://doi.org/10.1016/S0883-9026(99)00039-7)
- Pham, T., and Muntz, A., 2023. Family support and entrepreneurial intention: The mediating role of self-efficacy and perceived behavioral control. *Small Business Economics*, 60 (4), Pp. 961-979.
- Powell, E.E., and Eddleston, K.A., 2023. Linking family-to-business enrichment and support to entrepreneurial success: Do female and male entrepreneurs experience different outcomes? *Journal of Business Venturing*, 28 (2), Pp. 261-280.
- Prasetyo, T., Priyanto, S., and Wibowo, M., 2023. Exploring the role of family support on entrepreneurial intentions in the digital economy era. *Journal of Entrepreneurship and Innovation in Emerging Economies*, 9 (2), Pp. 204-221.
- Ramayah, T., and Harun, Z., 2015. Entrepreneurial intention among University Sains Malaysia (USM) students. *International Journal of Management and Entrepreneurship*, 1 (1), Pp. 8-20.
- Ramayah, T., Ling, N., Taghizadeh, N.S.K., and Rahman, S.A., 2015. Factors influencing SMEs website continuance intention in Malaysia. *Telematics and Informatics*, 33 (2). <http://dx.doi.org/10.1016/j.tele.2015.06.007>
- Ramos-Rodríguez, A.R., Medina-Garrido, J.A., Lorenzo-Gómez, J.D., and Ruiz-Navarro, J., 2020. What you know or who you know? The role of intellectual and social capital in opportunity recognition. *International Small Business Journal*, 28 (6), Pp. 566-582. <http://dx.doi.org/10.1177/0149206309335187>
- Rauch, A., and Frese, M., 2007. Let's put the person back into entrepreneurship research: A meta-analysis on the relationship between business owners' personality traits, business creation, and success. *European Journal of Work and Organizational Psychology*, 16 (4), Pp. 353-385. <http://dx.doi.org/10.1080/13594320701595438>
- Rotter, J.B., 2016. Generalized expectancies for internal versus external control of reinforcement. *Psychological Monographs*, 4 (3), Pp. 69-80. <https://psycnet.apa.org/doi/10.1037/h0092976>
- Sarma, M., and Borah, S., 2022. Family support as a determinant of entrepreneurial intention: A study on university students in Assam. *Journal of Entrepreneurship Education*, 25 (6), Pp. 1-17.
- Shapero, A., and Sokol, L., 1982. The social dimensions of entrepreneurship. Prentice Hall.
- Shastri, S., Shastri, S., and Pareek, A., 2019. Motivations and challenges of women entrepreneurs Experiences of small businesses in Jaipur city of Rajasthan. *International Journal of Sociology and Social Policy*, 39 (5), Pp. 338-355. <http://dx.doi.org/10.1108/IJSSP-09-2018-0146>
- Shirokova, G., Osiyevskyy, O., and Bogatyreva, K., 2016. Exploring the intention-behavior link in student entrepreneurship: Moderating effects of individual and environmental characteristics. *European Management Journal*, 34 (4), Pp. 386-399. <http://dx.doi.org/10.1016/j.emj.2015.12.007>
- Sidgel, M., 2017. Women entrepreneurs in Kathmandu valley. *PYC Journal of Management*, 10 (1), Pp. 31-39.
- Son, J.H., Jung, K.B., and Lee, N.Y., 2018. The impact of entrepreneurial self-efficacy on the entrepreneurial intention of preliminary social entrepreneurs and general entrepreneurs: The moderating effect of social support. *Asia-Pacific Journal of Business Venturing and Entrepreneurship*, 13 (1), Pp. 89-104.

- Stroe, S., Paraschiv, D., and Gherghina, R., 2023. The buffering effect of family support on entrepreneurial stress and business performance. *International Journal of Entrepreneurial Behavior & Research*, 29 (2), Pp. 312-330. <http://dx.doi.org/10.3390/merits2010001>
- Taber, K.T., 2018. The use of Cronbach's Alpha when developing and reporting research instruments in science education. *Research in Science Education*, 48 (3), Pp. 1273-1296. <https://doi.org/10.1007/s11165-016-9602->
- Tavakol, M., and Dennick, R., 2011. Making sense of Cronbach's Alpha. *International Journal of Medical Education*, 2 (3), Pp. 53-55. <http://dx.doi.org/10.5116/ijme.4dfb.8dfd>
- Tentama, F., and Abdussalam, F., 2020. Internal locus of control and entrepreneurial intention: A study on vocational high school students. *Journal of Education and Learning*, 14 (1), Pp. 97-102. <http://dx.doi.org/10.11591/edulearn.v14i1.13999>
- Wang, Y., Li, H., Li, J., and Zhang, Y., 2021. Does family support encourage entrepreneurship? A cultural and family perspective. *Frontiers in Psychology*, 12 (2), Pp. 63-93.
- Yıldırım, N., Çakır, Ö. and Aşkun, O.B., 2016. Ready to dare? A case study on the entrepreneurial intentions of business and engineering students in Turkey. *Procedia-Social and Behavioral Sciences*, 22 (9), Pp. 277-288. <http://dx.doi.org/10.1016/j.sbspro.2016.07.138>
- Zellweger, T., Sieger, P., and Halter, F., 2011. Should I stay or should I go? Career choice intentions of students with family business background. *Elsevier BV*, 26 (5), Pp. 521-536. <http://dx.doi.org/10.1016/j.jbusvent.2010.04.001>
- Zhao, H., Seibert, S.E., and Hills, G.E., 2015. The mediating role of self-efficacy in the development of entrepreneurial intentions, *Journal of Applied Psychology*, 90 (6), Pp. 1265-1272. <http://dx.doi.org/10.1177/0149206309335187>
- Zhao, H., Seibert, S.E., and Lumpkin, G.T., 2020. The relationship of personality to entrepreneurial intentions and performance: A meta-analytic review. *Journal of Management*, 36 (2), Pp. 381-404. <http://dx.doi.org/10.1177/0149206309335187>

