

Entrepreneurship Awareness and Gender Disparities among Undergraduates in Sri Lanka: Bridging the Intention-Action Gap

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Keywords: *Entrepreneurship Awareness; Self-Employment; University Students; Female Entrepreneurship*

Introduction

Entrepreneurship is a key driver of economic growth, particularly in developing economies like Sri Lanka, where limited job opportunities and high youth unemployment persist (ILO, 2020). University undergraduates, with their education and creativity, represent a promising group for entrepreneurial activity. Yet, despite high awareness, the transition from intention to action remains weak due to financial, educational, and socio-cultural barriers. Gender disparities exacerbate this challenge, as women face restrictive norms, limited support, and unequal opportunities, resulting in lower participation despite strong entrepreneurial intentions (Perera & Jayasinghe, 2017; de Mel, McKenzie, & Woodruff, 2009). The University Grants Commission's (2018) Tracer Study further highlights graduate underemployment, underscoring the need for entrepreneurship as an alternative pathway (Jayawardena, 2019).

This study explores entrepreneurship awareness and aspirations among Sri Lankan undergraduates, with emphasis on gender disparities and barriers. The findings aim to inform inclusive policies that strengthen higher education's role in fostering entrepreneurship.

Objectives

This study aims to assess entrepreneurship awareness and aspirations among Sri Lankan undergraduates, with a focus on gender disparities. It examines the role of institutional support, family business background, and access to

capital in shaping the intention–action gap. The goal is to generate insights that inform strategies to foster inclusive entrepreneurial participation and address graduate unemployment through higher education.

Methodology

This study adopted a descriptive research design combined with quantitative analysis. Data were collected through a structured questionnaire administered to **220 undergraduates** drawn from **four state universities and one private university** in Sri Lanka. A **stratified random sampling method** was used to ensure representation across faculties and gender groups. Final sample included **140 female students (64%)** and **80 male students (36%)**, distributed across Arts (40%), Management (30%), Science (15%), and Engineering (15%) faculties. The questionnaire captured demographic characteristics, exposure to entrepreneurship education, family business background, access to startup capital, entrepreneurial intention, and current engagement in self-employment. Two binary logistic regression models were estimated to examine the determinants of entrepreneurial activity.

Model 1: Overall Impact Model

$$\text{logit}(P) = \beta_0 + \beta_1 \text{Gen} + \beta_2 \text{EduEx} + \beta_3 \text{FB} + \beta_4 \text{CA} + \beta_5 \text{Reg} + \varepsilon$$

This model estimates the probability (P) that a student is actively engaged in entrepreneurial activity, based on multiple predictors: Gender (Gen): Binary variable (1 = female, 0 = male), Education Exposure (eduex): Access to entrepreneurship education or Programmes, Family Business (FB): Whether the student has exposure to a family-owned business, Capital Access (CA): Ability to access startup capital Region (Reg): Rural, urban, or estate categorization, ε : error term.

Model 2: Gender-Differentiated Impact Model

$$\text{logit}(P) = \beta_0 + \beta_1 \text{Gen} + \beta_2 \text{EduEx} + \beta_3 \text{FB} + \beta_4 \text{CA} + \beta_5 \text{Reg} + \beta_6 \text{GenCA} + \beta_7 \text{GenFB} + \varepsilon$$

Where, GenCA is the interactive term of Gender $\times$ Capital Access; GenFB is the interactive term of Gender $\times$ Family Business.

This model adds interaction terms to investigate how the effects of access to capital and family business background vary between male and female students.

Results and Discussions

Descriptive statistics revealed that **76% of undergraduates expressed an interest in becoming self-employed**, but only **28% had taken active steps** toward entrepreneurship. Female respondents (64% of the sample) reported higher entrepreneurial intention than males but lower levels of actual business engagement.

Table 1: Results of Model 1(Logistic Regression)

Variable	Odds Ratio (OR)	Std. Error	p-value
Gen (1=female)	0.62	0.18	0.041 **
EduEx	1.74	0.35	0.008 ***
FB	2.05	0.42	0.003 ***
CA	2.31	0.50	0.001 ***
Reg (Urban=1)	1.28	0.33	0.210
Constant	0.39	0.14	0.012 **

Note: *, **, and *** represents variables are statistically significant at 10%, 5% and 1% level of Significant respectively.

Table 2: Results of Model 2 (Logistic Regression)

Variable	Odds Ratio (OR)	Std. Error	p-value
Gen (1=female)	0.59	0.20	0.048 **
CA	2.12	0.61	0.004 ***
FB	1.95	0.50	0.007 ***
GenCA	0.71	0.28	0.092 *
GenFB	0.83	0.33	0.188
Reg (Urban=1)	1.30	0.37	0.202
Constant	0.42	0.16	0.015 **

Note: *, **, and *** represents variables are statistically significant at 10%, 5% and 1% level of Significant respectively.

In Model 1, female students were significantly less likely to engage in entrepreneurship compared to males (OR=0.62), and access to entrepreneurship education increased the likelihood of engagement by 74%. Also, students with a family business background (OR=2.05) and those with capital access (OR=2.31) were more than twice as likely to start a business and Regional differences were not statistically significant. In model 2, the gender effect remained significant, showing that women were still less likely to translate intention into action, and capital access strongly influenced entrepreneurship, but the interaction term (Gender $\times$ Capital Access) was negative and weakly significant ($p < 0.10$), suggesting that even with financial support, female students faced additional barriers compared to males. Also, Family business background affected positively, but its interaction with gender was not significant, implying that both male and female students benefited equally from entrepreneurial family exposure.

There is a clear gap between intention and action, particularly among female students, and capital access and family business exposure are the most powerful predictors of entrepreneurial action. On the other hand, Entrepreneurship education significantly increases participation, highlighting the importance of university programmes. Also, gender disparities persist, suggesting that women face additional socio-cultural barriers even when resources are available.

Conclusions and Policy Recommendations

The study confirms that while entrepreneurial awareness among Sri Lankan undergraduates is high, actual engagement remains low, with women facing greater barriers. Access to capital, family business background, and entrepreneurship education significantly increase the likelihood of self-employment, yet gender disparities persist even when resources are available. To address this, policy must move beyond awareness building and tackle structural obstacles. Expanding entrepreneurship education with practical training, incubation, and stronger university-industry linkages can equip students with skills and opportunities. Youth-friendly loans, targeted grants, and microfinance are essential to ease financial constraints, while gender sensitive measures such as mentorship, safe business environments, and flexible financing are crucial to support women entrepreneurs. Finally,

national campaigns that reframe entrepreneurship as a respectable alternative to public sector jobs can shift social attitudes. A multidimensional strategy integrating education, finance, and gender responsive policy is, therefore, vital to bridge the intention-action gap and foster inclusive entrepreneurship in Sri Lanka (ILO, 2020; Jayawardena, 2019).

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