

Influence of Entrepreneurial Support on Students' Entrepreneurial Intention at a Rural South African University

Mekonnen Redahegn Dengetsha¹ , Joseph Akande²

¹ PhD, Department of Business Management, University of Zululand, Private Bag X1001, Empangeni, South Africa.
Email: dengetsha@unizulu.ac.za

² Professor, Department of Accounting Science, Walter Sisulu University, Mthatha, South Africa.
Email: jakande@wsu.ac.za

ARTICLE INFO

Article History:

Received: December 31, 2025
Revised: June 12, 2026
Accepted: June 22, 2026
Available Online: June 30, 2026

Keywords:

Relational Support
University Support
Knowledge Of Public Support
Entrepreneurial Intention
Rural University

Funding:

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

ABSTRACT

Entrepreneurial support is recognized as a driver of university students' entrepreneurial intentions. Most research has focused on entrepreneurship education; hence, there is a need to investigate broader entrepreneurial support and public awareness of available systems. This study, drawing on Social Capital Theory and Institutional Theory, explores how relational support, university support, and knowledge of public support affect the intention to become an entrepreneur. The study surveyed 180 final-year undergraduate students at a rural comprehensive university in South Africa. Final-year students were selected as they face immediate career choice dilemmas. Using a 23-item Likert-scale instrument, data were collected on students' demographic characteristics, relational support (RS), university support (US), knowledge of public support (KPS), and entrepreneurial intention (EI). To empirically assess structural associations among the proposed constructs, this study used Partial Least Squares Structural Equation Modeling (PLS-SEM). The PLS-SEM output that showed relational support had a positive and statistically significant impact, while university support had a marginally significant impact on entrepreneurial intentions. Countering to expectations, knowledge of public support did not show a significant association with entrepreneurial intention. These outcomes are important because they compel consideration of how stakeholders redirect and communicate support-related information to rural-based university students. This implies that policymakers and higher education institutions must develop deliberate and contextually responsive strategies that enhance the visibility and accessibility of entrepreneurial support systems within rural university environments. The necessity for such visibility underlines the study's primary theoretical contribution: that in resource-constrained rural contexts, informal social capital plays an influential role relative to formal institutional support structures. Formal entrepreneurial support mechanisms can be made more effective and accessible to rural university students through context-sensitive stakeholder engagement.



© 2026 The Authors, Published by iRASD. This is an Open Access article under the Creative Common Attribution Non-Commercial 4.0

Corresponding Author's Email: dengetsha@unizulu.ac.za

Citation: Dengetsha, M. R., & Akande, J. (2026). Influence of Entrepreneurial Support on Students' Entrepreneurial Intention at a Rural South African University. *iRASD Journal of Management*, 8(2), 44–56. <https://doi.org/10.52131/irasd-jom.2026.v8i2.3038>

1. Introduction

Globally, entrepreneurship is recognised as a crucial mechanism for combatting unemployment (Cho & Honorati, 2014). In the case of South Africa, this challenge is exacerbated in part by a chronic shortage of skilled labour (Statistics South Africa, 2020). In the long term, entrepreneurship and small business development fostered through

entrepreneurship education can contribute to poverty reduction, a key Sustainable Development Goal (Filser et al., 2019). The importance of entrepreneurship is well recognised globally; however, the unique structural and institutional complexities characterising developing rural contexts justify contextually grounded scholarly inquiry. In South Africa, entrepreneurship is considered a feasible career pathway and national developmental priority due to socioeconomic inequalities and structural complexities facing the country. As a result, rising graduate unemployment challenges the assumption that a university degree secures employment. This makes the entrepreneurial intention (EI) of graduates a particularly relevant construct, as it serves as a powerful indicator of their desire to start a business (Ajzen, 1985).

Misoska et al. (2016) argue that students' awareness of available support structures is positively associated with entrepreneurial intention. Within the context of rural higher education establishments in South Africa, however, the literature reveals a paucity of research pertaining to Knowledge of Public Support (KPS). Although the South African government has established agencies supporting emerging entrepreneurs, such as the Small Enterprise Development Agency (SEDA) and the National Youth Development Agency (NYDA), it remains uncertain whether resources from these institutions actively influence the entrepreneurial intentions of students at rural universities. As Malebana (2017) observes, there is a disconnect between the operational reach of these national agencies and the realities of geographically isolated institutional contexts.

According to Shen et al. (2017), research regarding the association between external support factors and entrepreneurial intentions remains inconclusive. Existing literature has focused on formalised entrepreneurship education, leaving alternative support mechanisms comparatively under-researched (Lu et al., 2021). The current work offers three insights into the extant literature. First, the research investigates how relational support influences students in a rural South African setting, where social capital may compensate for lack of formal resources. Second, it addresses a paucity of research on knowledge of public support (KPS) by examining how awareness of public loans, training programmes, and support institutions shapes students' entrepreneurial intentions. Third, it extends the scope of inquiry into university support mechanisms beyond traditional instructional contexts, contributing to the research agenda articulated by Trivedi (2016).

Previous studies commonly used the Theory of Planned Behaviour; however, but this study adopted Social Capital Theory (for relational factors) and Institutional Theory (for university and public support structures). This integration is theoretically distinctive on two counts: first, rather than subsuming support mechanisms within a homogeneous construct, it positions informal relational environments and formal institutional structures as complementary yet analytically separable domains of influence. Second, the framework is applied within the underexplored realities of a resource-constrained rural context, conditions that urban-centred studies have failed to theorise with sufficient analytical depth.

2. Literature Review and Theoretical Framework

2.1. Relational Support (RS) and Entrepreneurial Intention

As stated above, this study integrates Social Capital Theory and Institutional Theory. Their pairing, therefore, offers a more complete account of how informal social dynamics and formal institutional environments jointly condition the entrepreneurial intentions of individuals in rural settings. The theory draws on Bourdieu (1986); Coleman (1988); Putnam (2000), and stipulates that relational networks function as intangible resources that reduce entrepreneurial risk and enable access to opportunities. Social Capital Theory argues that interpersonal networks serve as resources for members (Xie et al., 2021). Relational support is a complex notion referring to the level to which participants perceive support to be available from family, friends, and networks such as the church, school, and community (Samadifard & Sadri Damirchi, 2018). Osorio et al. (2017) describe family support as an individual's cognitive evaluation of emotional, moral, and economic support. Empirical investigations reveal that support from family and friends has a strong favourable effect on entrepreneurial intentions (Acuna-Duran et al., 2021; Turulja et al., 2020). However, the existing evidence is not conclusive (Yurtkoru et al., 2014). Accordingly, hypothesis 1 is presented below.

H1: Relational support (RS) has a positive and significant influence on entrepreneurial intention (EI).

While the extant literature broadly supports a positive association between relational support and entrepreneurial intention Cardella et al. (2019), the evidence remains empirically inconclusive, due to contextual variation between developed and developing economy contexts and methodological heterogeneity across studies (Yurtkoru et al., 2014). The present study addresses this gap by examining relational support within a rural South African university context. In the absence of robust formal institutional support, informal social networks may assume a compensatory function.

2.2. University Support (US)

Drawing on DiMaggio and Powell (1983); North (1990), institutional theory explains how formal structures shape entrepreneurial behaviour through institutional thickness meaning the density and accessibility of support structures (Amin & Thrift, 1995). The relationship between university support and entrepreneurial intention is inconclusive. Positive findings Bazan et al. (2020); Giordano Martínez et al. (2018); Lu et al. (2021); Trivedi (2016) are challenged by conflicting studies (Maheshwari et al., 2022; Wegner et al., 2019). This contingency is particularly consequential in rural South African universities, where resource constraints may fundamentally limit the nature, visibility, and accessibility of entrepreneurial support provisions available to students (Nurhidayati et al., 2021). Hypothesis two is presented below.

H2: University support (US) has a positive and significant impact on entrepreneurial intention (EI).

Relational support (social informal) and university support (institutional formal) provide support that students could benefit from. However, knowledge of public support is also important, because without knowing the available support systems provided at the macro and micro level it would be difficult to take advantage of the available resources.

2.3. Knowledge of Public Support (KPS)

Macro- and micro-level policies can promote entrepreneurship Huang et al. (2021), yet their effectiveness remains a subject of debate (Acs et al., 2016). In South Africa, there has been limited research linking government business support measures to entrepreneurial intention (Malebana, 2017). Grounded in Institutional Theory, this study suggests that the "institutional thickness" of a region (the presence and accessibility of support agencies) should theoretically increase entrepreneurial intention. However, students in rural areas often face information asymmetry. This divergence positions KPS as a function not merely of policy existence but of institutional reach and communicative effectiveness. This suggests that in resource-constrained rural contexts characterised by limited institutional thickness Gashi Nulleshi and Tillmar (2022), inaccessible public support programmes from SEDA and NYDA may fail to meaningfully influence entrepreneurial intention. This study therefore seeks to determine whether formal entrepreneurship support institutions are effectively influencing the career intentions of rural graduates via KPS. Thus, hypothesis 3 is presented below.

H3: Knowledge of public support (KPS) has a positive and significant influence on entrepreneurial intention (EI).

2.4. Theoretical Integration and Hypothesis Testing

Theoretical integration maps how the synergies of theoretical frameworks interact and the tensions that pull them apart. Social Capital Theory frames the role of informal relational environments, whereas Institutional Theory addresses the influence of formal institutional structures. Relational Support (H1) is rooted in Social Capital Theory which stipulates inter-personal support systems, namely, peers, family members, friends, and the broader community, serve as important intangible resources that mitigate perceived risks for emerging entrepreneurs. The constructs University Support (H2) and Knowledge of Public Support (H3) are anchored in Institutional Theory. According to Widaryanti and

Luhglatno (2018), Institutional Theory refers to the concentration, presence, and ease of access of support structures that facilitate entrepreneurial activity or "institutional thickness." The theoretical tension between these two frameworks is analytically productive: whereas Social Capital Theory anticipates that strong informal networks will positively influence entrepreneurial intention, Institutional Theory predicts that the density and accessibility of formal support structures will exert an independent and additive influence. Stated differently, hypotheses H2 and H3 assess whether formal structures such as higher education institutions and agencies like SEDA and NYDA provide the necessary support for entrepreneurial career paths in rural settings. By investigating the informal and formal support mechanisms, the current study evaluates whether social assets and institutional structures influence students facing immediate career dilemmas. Based on the stated hypotheses and theoretical frameworks, the conceptual framework (Figure 1) illustrates the hypothesised relationships by examining three distinct domains: the relational support provided by the proximal community, the institutional support from the university, and the awareness of public support systems.

This literature review has identified relational support, university support, and knowledge of public support as theoretically grounded predictors of entrepreneurial intention, culminating in three testable hypotheses. To empirically examine these relationships within a rural South African higher education context, the following section details the research design, sampling strategy, instrumentation, and analytical approach adopted in this study.

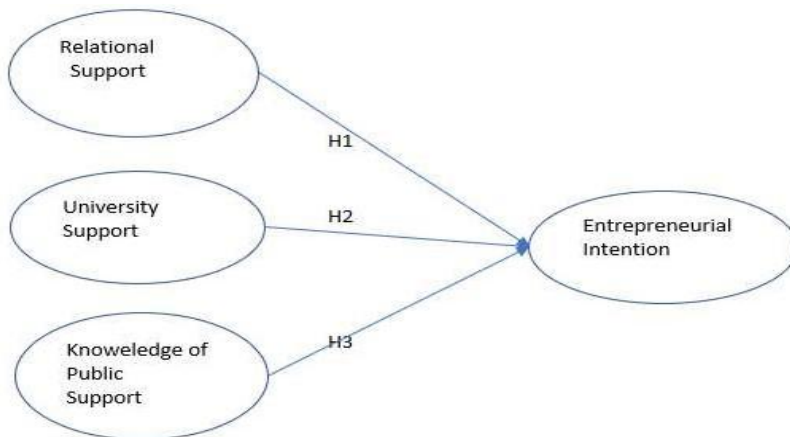


Figure 1. Proposed Conceptual Framework

3. Data and Methodology

3.1. Research Design and Sampling

This study adopts a positivist, quantitative, cross-sectional design. The target population consists of students attending a rural comprehensive university in South Africa. Final-year students were selected because they are graduating students facing career choice dilemmas (Min, 2014). Due to COVID-19 restrictions, data were gathered via a structured electronic survey (Google Forms) distributed to students through department heads and lecturers. Accordingly, the study used a convenience sampling strategy.

3.2. Sample Size and Ethical Considerations

To establish the statistical robustness of the PLS-SEM analysis, the study employed the inverse square root and gamma-exponential methods proposed by Kock and Hadaya (2016), indicating a minimum required sample size of 160. This study exceeded that criterion with 180 valid responses. Ethical approval was obtained from the university ethics committee, and all respondents provided voluntary informed consent. Full collinearity VIF values for all latent variables did not exceed 3.3, confirming the absence of common method bias (Kock, 2015), as shown in Table 4.

3.3. Instrumentation and Measurement of Constructs

To assess the variables that significantly determine entrepreneurial intention, a five-point Likert-scale instrument was administered. Survey items were adapted from validated measures: Sahban et al. (2015) for Relational Support (RS), Turker and Sonmez Selcuk (2009) for University Support (US), Malebana (2017) for Knowledge of Public Support (KPS), and Liñán and Chen (2009) for Entrepreneurial Intention (EI).

3.4. Data analysis

To determine the validity of the proposed hypotheses, Partial Least Squares Structural Equation Modeling (PLS-SEM) was employed to evaluate both the measurement and structural models, identifying the specific factors that show a significant association with entrepreneurial intention. Following the recommendation of Hanafiah (2020), PLS-SEM was selected for its robustness as a second-generation multivariate statistical method, specifically for its ability to model the complex associations among drivers that significantly influence entrepreneurial intention. It is particularly suitable for this study as it effectively manages data with potential distribution issues (non-normality) and smaller sample sizes which are often found in social science research. Following the protocols established by Hair et al. (2020), evaluation was conducted following a two-phase procedure. Reliability was assessed using Cronbach's Alpha and Composite Reliability, convergent validity through Average Variance Extracted, and discriminant validity via the Fornell-Larcker criterion and HTMT ratio, confirming measurement model integrity."

Following confirmation of the outer model, the inner structural model was evaluated to establish relationships between the exogenous and endogenous constructs. This process involved assessing the hypothesised dependencies through bootstrapping. The model's quality was determined by the percentage of variance explained (R^2), the effect size (f^2) to identify the practical relevance of the exogenous variables, and the predictive relevance (Q^2) of the model. Analysis was performed using WarpPLS 8.0, chosen for its capacity to uncover non-linear relationships and deliver model fit diagnostics. Overall model integrity was assessed using the Average Path Coefficient (APC) and Average R-squared (ARS) (Henseler et al., 2009; Kock, 2023).

4. Results and Discussion

4.1. Demographics

A demographic overview of the 180 university respondents reveals a predominantly female, business-student sample characterized by a distinct lack of both personal and familial entrepreneurial exposure. Specifically, the sample is comprised of mostly of female students (62%; $N = 112$) between the ages of 17 and 28 (90%; $N = 162$). In terms of academic tracking, a majority are Bachelor of Commerce students (57%; $N = 103$). Despite their business-focused education, a substantial 76% ($N = 137$) entered the study without any prior business experience, and 65% ($N = 117$) have not attended entrepreneurship education due to limited faculty offerings. Most significantly for the study's central argument, 82% ($N = 148$) of respondents reported that their parents lack entrepreneurial experience. This demographic reality carries profound theoretical implications, as it highlights a severe constraint on the quality and nature of relational entrepreneurial support available to these students within their immediate social networks.

4.2. Model Assessment Using PLS-SEM

The evaluation of a PLS-SEM framework necessitates a dual-stage analytical process. The first is the measurement element, linking each construct to its observable indicators. The second is the structural element, representing the causal and predictive interconnections across constructs (Sarstedt et al., 2019). Following the two-step procedure for PLS-SEM proposed by Hair et al. (2021), the reflective measurement model was assessed to identify the specific factors that significantly influence entrepreneurial intention. The evaluation was conducted in two stages to determine the key predictors of entrepreneurial intention. First, the measurement model was assessed for indicator and internal consistency reliability alongside construct validity. Second, the structural model

assessment involved analysing collinearity and path coefficients to gauge the model's predictive and explanatory power (Hair et al., 2021).

4.2.1.Measurement Model Assessment Results

The assessment of the outer model in this study was based on the item consistency and validity of the reflective constructs RS, US, KPS, and EI. The outer model was assessed using Cronbach's alpha (CA), composite reliability (CR), average variance extracted (AVE), and the heterotrait-monotrait ratio (HTMT). Conventionally, outer loadings are required to be greater than 0.70 (Sarstedt et al., 2021). However, items with outer loadings in the range 0.40–0.70 should be removed only if their exclusion improves the CR or AVE (Hair & Alamer, 2022). Recommended thresholds are CA and CR values exceeding 0.70 and AVE values of at least 0.50 (Fornell & Larcker, 1981; Hair et al., 2022; Hair et al., 2021). As depicted in Table 1, reflective item loadings were more than 0.7, except for INT6 and FAMS1, which indicated acceptable reliability. These items were not deleted because their deletion did not improve CR or AVE (Hair et al., 2016). The CR, CA, and Rho-A scores were above 0.7, suggesting that the constructs demonstrate adequate internal consistency. Convergent validity was confirmed, as AVE values for all constructs exceeded the recommended 0.50 threshold (Ali et al., 2018; Fornell & Larcker, 1981).

Table 1
Reliability and Validity Quality Assessment

Latent construct	Variable Item	Factor Loading	P-Values	CR	CA	(Rho-A)	AVE
University Support				0.944	0.928	0.941	0.738
	US1	0.738	<0.001				
	US2	0.857	<0.001				
	US3	0.868	<0.001				
	US4	0.921	<0.001				
	US5	0.854	<0.001				
Relational Support	US6	0.906	<0.001				
				0.865	0.811	0.829	0.519
	FAMS1	0.533	<0.001				
	FAMS2	0.721	<0.001				
	FRS1	0.744	<0.001				
	FRS2	0.807	<0.001				
Entrepreneurial Intention	NWS1	0.728	<0.001				
	NWS2	0.761	<0.001				
				0.890	0.853	0.868	0.544
	INT1	0.743	<0.001				
	INT2	0.830	<0.001				
	INT3	0.824	<0.001				
Knowledge of Public Support	INT4	0.673	<0.001				
	INT5	0.853	<0.001				
	INT6	0.444	<0.001				
	INT7	0.715	<0.001				
				0.902	0.855	0.856	0.698
	KPS1	0.819	<0.001				
	KPS2	0.804	<0.001				
	KPS3	0.885	<0.001				
	KPS4	0.832	<0.001				

Note: WarpPLS output

To establish construct discriminant validity for variables exerting a significant influence on entrepreneurial intention, the Heterotrait-Monotrait ratio (HTMT) was used, as it is widely regarded as superior to traditional assessment methods (Henseler et al., 2014). According to Henseler et al. (2014), the HTMT ratio provides a rigorous test of the correlation between latent constructs, with values under 0.85 indicating distinctiveness. In this study, the constructs identified as having a significant influence on entrepreneurial

intention met this requirement; consequently, the data in Table 2 demonstrate that discriminant validity has been established.

Table 2.
Discriminant Validity Analysis (HTMT)

Construct	US	RS	EI	KPS
US				
RS	0.454			
EI	0.166	0.341		
KPS	0.344	0.357	0.223	

Note: WarpPLS output

4.2.2. Structural Model Assessment

Analysis of the structural model involved measuring the significance of the path coefficients and the value of the R-squared ratios (R^2) for the dependent variables (Hair & Alamer, 2022). In the structural model, each hypothesis is operationalized as a directional relationship that captures the association between constructs. Path coefficients and corresponding p -values were estimated for relationships within the structural model. Path coefficients were assessed for statistical significance. The interpretation of R^2 values depends on the research context. Hair et al. (2022) note that in behavioural studies, R^2 values ranging from 0–0.10, 0.11–0.30, 0.31–0.50, and above 0.50 indicate weak, modest, moderate, and strong in-sample explanatory power, respectively. The distinct types of entrepreneurial support available, along with knowledge of public support, are only a subset of the multitude of variables that may affect students' entrepreneurial intention. This is because previous research suggested that individual characteristics, personality traits, an entrepreneurial mindset, family background factors, business experience, institutional factors, and other contexts influence entrepreneurial intention (Lu et al., 2021), and a low R-squared is expected in the current analysis. Results of the empirical investigation are reported in Figure 2 and Table 3, respectively. The empirical findings indicate that RS significantly and positively influenced EI, corroborating H1. Although US demonstrated a marginally significant ($p = 0.055$) positive contribution to EI, supporting H2, the hypothesised effect of KPS on EI (H3) did not reach statistical significance.

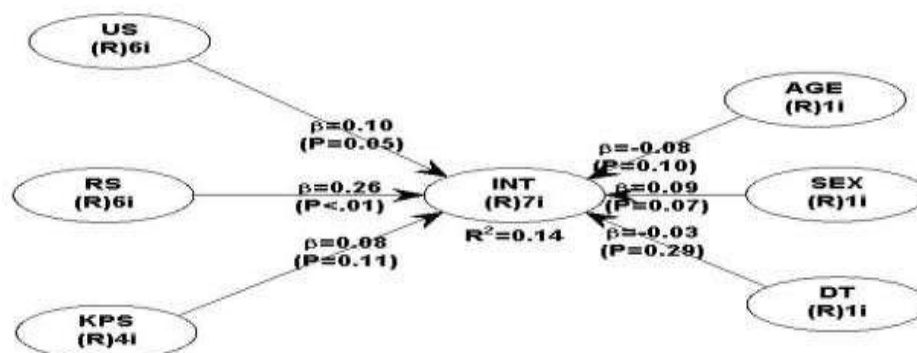


Figure 2. Hypothesis Testing with Path Coefficients

Note: WarpPLS output

After evaluating the outer measurement model, the inner structural model was examined using R^2 , Q^2 , f^2 , and p -values to assess the significance of the structural path coefficients (Ali et al., 2018; Rasoolimanesh et al., 2016). The R-squared for the dependent variable was evaluated to understand the proportion of variance contributed by all exogenous variables (Rasoolimanesh et al., 2016). The p -values were calculated to explain the significance of the estimated structural relationships. The obtained R^2 (.14) and Q^2 (.15) values indicate that the model demonstrates satisfactory predictive relevance; however, the variance explained by the exogenous constructs was modest. Using Cohen's (1988) assessment criteria, effect sizes (small = 0.02, medium = 0.15, large = 0.35), effect sizes were classified as small-to-medium for RS ($f^2 = .086$) and negligible-to-small for US ($f^2 = .019$). The findings suggest that the RS has a significant positive influence on EI ($\beta = .260$, $p < 0.001$), supporting H1. University support, on the other hand, has a positive, yet weak influence on EI ($\beta = .098$, $p = 0.055$). Hence, H2 is marginally supported at the 10% significance level. However, H3 was not supported, as KPS had a positive but

non-significant impact on EI ($\beta = .076$, $p > 0.05$). Figure 2 illustrates that all the control variables, including gender, age, and degree type, did not yield significant effects.

Table 3
Hypothesis Testing

Hypotheses	Path-coefficient	SE	f^2	p -value	Remark
H1 (RS→EI)	0.260	0.061	0.086	<0.001	Supported
H2 (US→EI)	0.098	0.061	0.019	0.055	Marginally Supported
H3(KPS→EI)	0.076	0.061	0.015	0.106	Not Supported

Note: SE = standard error, f^2 = effect size

Source: WarpPLS output

Table 4 reports the model fit indices (Kock, 2022), with APC (.106), ARS (.137), and AARS (.107) all significant at $p < 0.001$. AVIF (1.135) and AFVIF (1.156) fell below the threshold of 5, confirming the absence of multicollinearity, while GoF (.328) indicated moderate fit. This indicates that the predictors in the conceptual framework are not mutually correlated, and no collinearity issues exist among predictors and the criterion. The Q^2 value for EI was .15, indicating predictive relevance, as values above zero confirm construct-level predictive validity. Overall, the results confirm acceptable model-wide predictive validity for all endogenous LVs.

Table 4
Model Fit and Quality Indices

Model fit and quality indices	Criterion fit results	Results	Remarks
APC	($p = .021$)	0.106	Good
ARS	($p = .006$)	0.137	Good
AARS	($p = .020$)	0.107	Ideal
AVIF	acceptable if ≤ 5 , ideally ≤ 3.3	1.135	Ideal
AFVIF	acceptable if ≤ 5 , ideally ≤ 3.3	1.156	Ideal
GoF	small ≥ 0.1 , medium ≥ 0.25 , large ≥ 0.36	0.328	Medium
SPR	acceptable if ≥ 0.7 , ideally = 1	1.000	Ideal
RSCR	acceptable if ≥ 0.9 , ideally = 1	1.000	Ideal
SSR	acceptable if ≥ 0.7	0.833	Acceptable
NLBCCR	acceptable if ≥ 0.7	0.833	Acceptable

Note: WarpPLS output

The two-step PLS-SEM assessment confirmed acceptable reliability, validity, and modest explanatory power. Relational support emerged as the strongest determinant of entrepreneurial intention, followed by a marginal but positive contribution from university support. Knowledge of public support, however, failed to reach statistical significance. The GOF indices confirmed adequate model fit with no multicollinearity concerns. The subsection that follows presents the theoretical and practical contributions of this study to entrepreneurship literature in rural and developing contexts.

4.3. Discussion

The empirical findings of this study yield three analytically significant insights into the determinants of entrepreneurial intention among final-year students at a rural South African university. Most consequentially, the results reveal a clear hierarchy of support influence: relational support emerged as the dominant predictor ($\beta = .260$, $p < .001$), followed by a marginally significant university support ($\beta = .098$, $p = .055$), and a non-significant effect of knowledge of public support ($\beta = .076$, $p > .05$). This hierarchical pattern both corroborates and critically extends the propositions of Social Capital Theory and Institutional Theory within a resource-constrained rural context. By departing from the dominant theoretical tradition of the Theory of Planned Behaviour, these findings advance empirical evidence that the interplay between formal and informal support structures shapes entrepreneurial intention. Although the in-sample predictive power ($R^2 = .14$) and predictive relevance ($Q^2 = .15$) were modest and consistent with the multidimensional nature of entrepreneurial intention acknowledged in prior literature (Lu et al., 2021), the results nonetheless yield substantive and theoretically meaningful insights into the key antecedents of entrepreneurial intention among rural university students. The following subsections interpret each finding in relation to existing literature.

Relational support (H1): The first hypothesis proposing a positive relationship between relational support and entrepreneurial intention was confirmed. Family, friends, and community members are thereby confirmed as sources of emotional and moral support for nascent entrepreneurs. In the context of rural South Africa, where formal financial institutions are often geographically and structurally remote, social capital serves as a viable alternative enabling communities to engage in informal yet meaningful risk-sharing arrangements. Immediate social circles not only offer advice but also function as a potential initial market and spread marketing information via word-of-mouth communication. This finding supports the propositions of Social Capital Theory and is consistent with the findings of (Saeed et al., 2015) and (Turulja et al., 2020). Closer questioning of the demographic experiential profiles, however, challenges the assumptions of Social Capital literature. This is attributable to the demographic data of the sample, revealing that a substantial majority of respondents (82%) come from family backgrounds devoid of entrepreneurial experience among their parents. Rural social capital may offer nascent entrepreneurs valuable psychosocial support for career entry; nonetheless, as the demographic profile of this study illustrates, familial networks lacking experiential business knowledge, technical mentorship, and industry-specific linkages are structurally limited in the quality of entrepreneurial guidance they are able to provide.

A significant theoretical contribution emerges from this finding: that in resource-constrained rural ecosystems, informal support successfully compensates for absent institutional structures, thereby catalysing nascent entrepreneurial intentions. This finding contrasts instructively with (Shen et al., 2017), whose American college student sample revealed no direct relationship between family support and entrepreneurial intention, a divergence attributable to the rich portfolio of formal entrepreneurial resources available in institutionally dense developed economies. In rural South Africa, where the structural absence of formal resources creates an institutional vacuum, informal social capital uniquely steps in. Consequently, entrepreneurial intention and its antecedents remain fundamentally contingent upon the institutional density and resource availability of the local environment.

University Support (H2): The second hypothesis was also supported, though the influence was found to be weaker than relational support. This supports Institutional Theory by showing that the university acts as a formal institution that shapes student attitudes. However, the modest significance suggests a gap between the support offered and student expectations. Consistent with (Trivedi, 2016), these findings suggest that rural students may remain unaware of specific university entrepreneurial initiatives. Of particular interest, Maheshwari et al. (2022) found that institutional entrepreneurship support provided by German universities, including venture creation contests and financial assistance, was not significantly associated with entrepreneurial intention.

Knowledge of Public Support (H3): Contrary to expectations and the findings of Malebana (2017), KPS showed no significant association with entrepreneurial intention. This is the most critical result of the study. In contrast, Nowiński et al. (2020) provide evidence that public support has a strong impact on the entrepreneurial intentions of university students in China and the United States. Grounded in Institutional Theory, the findings of this research suggest students in remote locations suffer from information asymmetry. As Gashi Nulleshi and Tillmar (2022) note, rural areas lack the infrastructure of urban centres. The lack of awareness regarding government loans, SEDA, or NYDA programmes means these public initiatives are failing to reach the graduates who need them most. Consequently, this finding has a practical implication for public development agencies. To overcome the information asymmetry and institutional thickness, agencies such as SEDA and NYDA should act proactively and focus on rural-based higher learning institutions. For example, these institutions can bridge the information gap and funnel information to those students who need it most by establishing physical satellite desks and conducting periodic awareness campaigns on campus.

5. Conclusions and Recommendations

5.1. Conclusions

This study investigated the effect of various support mechanisms on the entrepreneurial intentions of students at a rural South African higher education institution. By integrating Social Capital and Institutional theories, the research provides an

understanding of how informal networks and formal structures interact in resource-constrained environments. Adopting a positivist, deductive approach, and utilising PLS-SEM to analyse data from 180 final-year students, the study concludes that while informal inner-circle (relational) support is highly effective, knowledge of public support is not significantly associated with entrepreneurial intentions.

The findings reveal a clear hierarchy of support influence: relational support remains the primary driver, followed by a marginally significant, positive effect from university support. Most notably, the non-significance of Knowledge of Public Support (KPS) exposes a critical information void within the rural ecosystem. This evidence indicates that the broader South African entrepreneurial framework remains institutionalised in a fragmented manner, meaning formal government interventions fail to align with the actual aspirations of rural graduates.

5.2. Recommendations

5.2.1. Recommendations to Practice

Priority given to campus-based incubators and role-model seminars, implying that a structural shift toward experiential learning is needed. University administrators should ensure these initiatives are accessible to all students, particularly those in rural settings with limited external entrepreneurial exposure.

5.2.2. Recommendations to Policy

Public-sector bodies, SEDA and NYDA, should decentralise their communication strategies to ensure that students at rural universities have equal access to information regarding loans, training, and institutional support as their urban counterparts. Policymakers should consider establishing physical satellite desks and conducting periodic awareness campaigns on rural university campuses to bridge the information gap identified in this study. National entrepreneurship policies should be tailored specifically to address the unique constraints of rural higher education institutions to foster regional economic resilience.

5.2.3. Areas of Further Research

The current study's findings have limited generalisability as the research focused on a single rural university in South Africa. Therefore, future research should involve a comparative analysis between traditional and comprehensive universities, as well as urban and rural institutions, to provide deeper insights into how institution types of influence entrepreneurial intentions. Additionally, future studies could address potential self-report bias through triangulation of data collection methods. Moreover, relying on electronic survey distribution represents a methodological limitation. Online surveys are likely to exclude students facing poor internet connectivity which is common in rural South African settings. The cross-sectional design limits the study to a single point in time; longitudinal research is therefore recommended. Tracking students over time would illuminate whether formal and informal support structures translate entrepreneurial intention into actual business creation and sustainable economic participation.

Author Contributions

Mekonnen Redahegn Dengetsha: Conceptualization, Methodology, Data Collection, Formal Analysis, Writing – Original Draft.

Joseph Akande: Supervision, Validation, Writing – Review & Editing, and Technical Refinement of the PLS-SEM model.

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest w.r.t the research, authorship and/or publication of this article.

Acknowledgements

The authors gratefully acknowledge the support of the Department of Business Management at the University of Zululand. Special thanks are due to the respondents for

their willing participation, and to the department heads and lecturers whose assistance made data collection possible during the COVID-19 period.

References

- Acas, Z., Åstebro, T., Audretsch, D., & Robinson, D. T. (2016). Public Policy to Promote Entrepreneurship: A Call to Arms. *Small Business Economics*, 47(1), 35-51. <https://doi.org/10.1007/s11187-016-9712-2>
- Acuna-Duran, E., Pradenas-Wilson, D., Oyanedel, J. C., & Jalon-Gardella, R. (2021). Entrepreneurial Intention and Perceived Social Support from Academics-Scientists at Chilean Universities. *Front Psychol*, 12, 682632. <https://doi.org/10.3389/fpsyg.2021.682632>
- Ajzen, I. (1985). From Intentions to Actions: A Theory of Planned Behavior. In J. Kuhl & J. Beckmann (Eds.), *Action Control* (pp. 11-39). Springer. https://doi.org/10.1007/978-3-642-69746-3_2
- Ali, F., Rasoolimanesh, S. M., Sarstedt, M., Ringle, C. M., & Ryu, K. (2018). An Assessment of the Use of Partial Least Squares Structural Equation Modeling (Pls-Sem) in Hospitality Research. *International Journal of Contemporary Hospitality Management*, 30(1), 514-538. <https://doi.org/10.1108/ijchm-10-2016-0568>
- Amin, A., & Thrift, N. (1995). Institutional Issues for the European Regions: From Markets and Plans to Socioeconomics and Powers of Association. *Economy and society*, 24(1), 41-66. <https://doi.org/https://doi.org/10.1080/030851495000000002>
- Bazan, C., Gaultois, H., Shaikh, A., Gillespie, K., Frederick, S., Amjad, A.,...Belal, N. (2020). A Systematic Literature Review of the Influence of the University's Environment and Support System on the Precursors of Social Entrepreneurial Intention of Students. *Journal of Innovation and Entrepreneurship*, 9(1), 1-28. <https://doi.org/10.1186/s13731-020-0116-9>
- Bourdieu, P. (1986). The Forms of Capital. In J. G. Richardson (Ed.), *Handbook of Theory and Research for the Sociology of Education* (pp. 241-258). Greenwood Press.
- Cardella, G. M., Hernandez-Sanchez, B. R., & Sanchez Garcia, J. C. (2019). Entrepreneurship and Family Role: A Systematic Review of a Growing Research. *Front Psychol*, 10, 2939. <https://doi.org/10.3389/fpsyg.2019.02939>
- Cho, Y., & Honorati, M. (2014). Entrepreneurship Programs in Developing Countries: A Meta Regression Analysis. *Labour Economics*, 28, 110-130. <https://doi.org/10.1016/j.labeco.2014.03.011>
- Coleman, J. S. (1988). Social Capital in the Creation of Human Capital. *American Journal of Sociology*, 94, S95-S120.
- DiMaggio, P. J., & Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, 48(2), 147-160.
- Filser, M., Kraus, S., Roig-Tierno, N., Kailer, N., & Fischer, U. (2019). Entrepreneurship as Catalyst for Sustainable Development: Opening the Black Box. *Sustainability*, 11(16), 2-18. <https://doi.org/10.3390/su11164503>
- Fornell, C., & Larcker, D. F. (1981). Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. *Journal of Marketing Research*, 18(1), 39-50. <https://doi.org/10.1177/002224378101800104>
- Gashi Nulleshi, S., & Tillmar, M. (2022). Rural Proofing Entrepreneurship In two Fields of Research. *International Journal of Entrepreneurial Behavior & Research*, 28(9), 332-356. <https://doi.org/10.1108/ijebr-05-2021-0323>
- Giordano Martínez, K. R., Fernández-Laviada, A., & Herrero Crespo, Á. (2018). Influence of Business Incubators Performance on Entrepreneurial Intentions and Its Antecedents During the Pre-Incubation Stage. *Entrepreneurship Research Journal*, 8(2), 20160095. <https://doi.org/10.1515/erj-2016-0095>
- Hair, J., & Alamer, A. (2022). Partial Least Squares Structural Equation Modeling (Pls-Sem) in Second Language and Education Research: Guidelines Using an Applied Example. *Research Methods in Applied Linguistics*, 1(3), 100027. <https://doi.org/10.1016/j.rmal.2022.100027>
- Hair, J. F., Howard, M. C., & Nitzl, C. (2020). Assessing Measurement Model Quality in Pls-Sem Using Confirmatory Composite Analysis. *Journal of Business Research*, 109, 101-110. <https://doi.org/10.1016/j.jbusres.2019.11.069>
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A Primer on Partial Least Squares Structural Equation Modeling (Pls-Sem)* (3rd ed. ed.). Sage.

- Hair, J. F., Jr., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2016). *A Primer on Partial Least Squares Structural Equation Modeling (Pls-Sem)*. SAGE Publications.
- Hair, J. F., Jr., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial Least Squares Structural Equation Modeling (Pls-Sem) Using R*. Springer. <https://doi.org/10.1007/978-3-030-80519-7>
- Hanafiah, M. H. (2020). Formative Vs Reflective Measurement Model: Guidelines for Structural Equation Modeling Research. *International Journal of Analysis and Applications*, 18(5), 876-889. <https://doi.org/10.28924/2291-8639>
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2014). A New Criterion for Assessing Discriminant Validity in Variance-Based Structural Equation Modeling. *Journal of the Academy of Marketing Science*, 43(1), 115-135. <https://doi.org/10.1007/s11747-014-0403-8>
- Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The Use of Partial Least Squares Path Modeling in International Marketing. In R. R. Sinkovics & P. N. Ghauri (Eds.), *New Challenges to International Marketing* (Vol. 20, pp. 277-319). Emerald. [https://doi.org/10.1108/s1474-7979\(2009\)0000020014](https://doi.org/10.1108/s1474-7979(2009)0000020014)
- Huang, Y., An, L., Wang, J., Chen, Y., Wang, S., & Wang, P. (2021). The Role of Entrepreneurship Policy in College Students' Entrepreneurial Intention: The Intermediary Role of Entrepreneurial Practice and Entrepreneurial Spirit. *Front Psychol*, 12, 585698. <https://doi.org/10.3389/fpsyg.2021.585698>
- Kock, N. (2015). Common Method Bias in Pls-Sem: A Full Collinearity Assessment Approach. *International Journal of e-Collaboration (ijec)*, 11(4), 1-10. <https://doi.org/10.4018/ijec.2015100101>
- Kock, N. (2023). *Warppls User Manual: Version 8.0*. https://scriptwarp.com/warppls/UserManual_v_8_0.pdf
- Kock, N., & Hadaya, P. (2016). Minimum Sample Size Estimation in Pls-Sem: The Inverse Square Root and Gamma-Exponential Methods. *Information Systems Journal*, 28(1), 227-261. <https://doi.org/10.1111/isj.12131>
- Liñán, F., & Chen, Y. W. (2009). Development and Cross-Cultural Application of a Specific Instrument to Measure Entrepreneurial Intentions. *Entrepreneurship: Theory and Practice*, 33(3), 593-617. <https://doi.org/10.1111/j.1540-6520.2009.00318.x>
- Lu, G., Song, Y., & Pan, B. (2021). How University Entrepreneurship Support Affects College Students' Entrepreneurial Intentions: An Empirical Analysis from China. *Sustainability*, 13(6), 3224. <https://doi.org/10.3390/su13063224>
- Maheshwari, G., Kha, K. L., & Arokiasamy, A. R. A. (2022). Factors Affecting Students' Entrepreneurial Intentions: A Systematic Review (2005–2022) for Future Directions in Theory and Practice. *Management Review Quarterly*, 73(4), 1903-1970. <https://doi.org/10.1007/s11301-022-00289-2>
- Malebana, M. J. (2017). Knowledge of Entrepreneurial Support and Entrepreneurial Intention in the Rural Provinces of South Africa. *Development Southern Africa*, 34(1), 74-89. <https://doi.org/10.1080/0376835x.2016.1259990>
- Min, K. S. (2014). Reviewers Are Not Perfect but Could They Try Harder? *Journal of Business Research*, 67(9), 1967-1970. <https://doi.org/10.1016/j.jbusres.2013.11.002>
- Misoska, A. T., Dimitrova, M., & Mrsik, J. (2016). Drivers of Entrepreneurial Intentions among Business Students in Macedonia. *Economic Research-Ekonomska Istrazivanja*, 29(1), 1062-1074. <https://doi.org/10.1080/1331677x.2016.1211956>
- North, D. C. (1990). *Institutions, Institutional Change and Economic Performance*. Cambridge University Press.
- Nowiński, W., Haddoud, M. Y., Wach, K., & Schaefer, R. (2020). Perceived Public Support and Entrepreneurship Attitudes: A Little Reciprocity Can Go a Long Way! *Journal of Vocational Behavior*, 121, 103474. <https://doi.org/10.1016/j.jvb.2020.103474>
- Nurhidayati, F., Mulyono, K. B., & Alfianti, R. (2021). *Perceived University Support: How Does It Build the Entrepreneurial Intention?* Proceedings of the International Conference on Strategic Issues of Economics, Business and, Education (ICoSIEBE 2020), <https://doi.org/10.2991/aebmr.k.210220.004>
- Osorio, A. E., Settles, A., & Shen, T. (2017). The Influence of Support Factors on Entrepreneurial Attitudes and Intentions of College Students. *Academy of Management Proceedings*, 2017(1), 10901. <https://doi.org/10.5465/AMBPP.2017.10901abstract>

- Putnam, R. D. (2000). *Bowling Alone: The Collapse and Revival of American Community*. Simon & Schuster.
- Rasoolimanesh, S. M., Jaafar, M., Kock, N., & Ahmad, A. G. (2016). The Effects of Community Factors on Residents' Perceptions toward World Heritage Site Inscription and Sustainable Tourism Development. *Journal of Sustainable Tourism*, 25(2), 198-216. <https://doi.org/10.1080/09669582.2016.1195836>
- Saeed, S., Yousafzai, S. Y., Yani-De-Soriano, M., & Muffatto, M. (2015). The Role of Perceived University Support in the Formation of Students' Entrepreneurial Intention. *Journal of Small Business Management*, 53(4), 1127-1145. <https://doi.org/10.1111/jsbm.12090>
- Sahban, M. A., Kumar, D., & Sri Ramalu, S. (2015). Instrument Development: Entrepreneurial Social Support Assessment Instrument (Iessa*). *Research Journal of Economics & Business Studies*, 4(3), 21-36.
- Samadifard, H. R., & Sadri Damirchi, E. (2018). The Relationship between Perception of Social Interaction, Perceived Social Support and Social Acceptance with Aggression among Adolescents. *Journal of Research and Health*, 8(1), 38-46. <https://doi.org/10.29252/acadpub.jrh.8.1.38>
- Sarstedt, M., Hair, J. F., Cheah, J.-H., Becker, J.-M., & Ringle, C. M. (2019). How to Specify, Estimate, and Validate Higher-Order Constructs in Pls-Sem. *Australasian Marketing Journal*, 27(3), 197-211. <https://doi.org/10.1016/j.ausmj.2019.05.003>
- Sarstedt, M., Ringle, C. M., & Hair, J. F. (2021). Partial Least Squares Structural Equation Modeling. In C. Homburg, M. Klarmann, & A. Vomberg (Eds.), *Handbook of Market Research* (pp. 1-47). Springer International Publishing. https://doi.org/10.1007/978-3-319-05542-8_15-2
- Shen, T., Osorio, A. E., & Settles, A. (2017). Does Family Support Matter? The Influence of Support Factors on Entrepreneurial Attitudes and Intentions of College Students. *Academy of Entrepreneurship Journal*, 23(1), 24-43.
- Statistics South Africa. (2020). *Quarterly Labour Force Survey, Quarter 1: 2020*. <https://www.statssa.gov.za/publications/P0211/P02111stQuarter2020.pdf>
- Trivedi, R. (2016). Does University Play Significant Role in Shaping Entrepreneurial Intention? A Cross-Country Comparative Analysis. *Journal of Small Business and Enterprise Development*, 23(3), 790-811. <https://doi.org/10.1108/jsbed-10-2015-0149>
- Turker, D., & Sonmez Selcuk, S. (2009). Which Factors Affect Entrepreneurial Intention of University Students? *Journal of European Industrial Training*, 33(2), 142-159. <https://doi.org/10.1108/03090590910939049>
- Turulja, L., Veselinovic, L., Agic, E., & Pasic-Mesihovic, A. (2020). Entrepreneurial Intention of Students in Bosnia and Herzegovina: What Type of Support Matters? *Economic Research-Ekonomska Istrazivanja*, 33(1), 2713-2732. <https://doi.org/10.1080/1331677x.2020.1730216>
- Wegner, D., Thomas, E., Teixeira, E. K., & Maehler, A. E. (2019). University Entrepreneurial Push Strategy and Students' Entrepreneurial Intention. *International Journal of Entrepreneurial Behavior & Research*, 26(2), 307-325. <https://doi.org/10.1108/ijebr-10-2018-0648>
- Widaryanti, W., & Luhglatno, L. (2018). Analysis of the Effect of Academic Support, Structural Support and Relational Support on the Entrepreneurship (Case Study of Universities "X" Students in Semarang City). *Economics & Business Solutions Journal*, 2(2), 73-85. <https://doi.org/10.26623/ebsj.v2i2.1209>
- Xie, G. H., Wang, L. P., & Lee, B. F. (2021). Understanding the Impact of Social Capital on Entrepreneurship Performance: The Moderation Effects of Opportunity Recognition and Operational Competency. *Front Psychol*, 12, 687205. <https://doi.org/10.3389/fpsyg.2021.687205>
- Yurtkoru, E. S., Kuşcu, Z. K., & Doğanay, A. (2014). Exploring the Antecedents of Entrepreneurial Intention on Turkish University Students. *Procedia - Social and Behavioral Sciences*, 150, 841-850. <https://doi.org/10.1016/j.sbspro.2014.09.093>