

Integration Research on Migrant Workers Returning Home to Start Business with the Data from Jilin Province

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ABSTRACT

Lots of problems emerged in entrepreneurship such as low educational level, narrow social network, lack of start-up capital make returned migrant workers fail in starting business. In order to resolve the above issues and improve entrepreneurial performance of returned migrant workers, questionnaires are established and distributed. By using data from Jilin Province, this thesis tries to explore the interactive mechanism among entrepreneurial traits, entrepreneurial opportunities, entrepreneurial resources, entrepreneurial performance of returned migrant workers, and conducts integration research. The results prove that the traits affect the acquisition of opportunities and resources, and then impact performance indirectly through the mediating effect of entrepreneurial opportunity, entrepreneurial resources.

Keywords: *entrepreneurial trait, entrepreneurial opportunity, entrepreneurial resource, entrepreneurial performance*

1. INTRODUCTION

The large influx of migrant workers leads to “big city malaise” in the metropolis of China and makes industries of countryside and small towns decay. In order to promote migrant workers to gain more employment opportunities and acquire better income, migrant workers should be encouraged to return home and start a business. Once migrant workers return home to start a business, some widespread issues of rural hollowing such as rural population loss, resources unoccupied, left-behind women, children and elderly would be resolved.

However, migrant workers are relatively low educated, have a narrow social network and are lack start-up capital as well, which make the setup and the management progress of their entrepreneurship program operate unsuccessfully. In addition, migrant workers’ defects make their start-up scale develop slowly and have no novel idea. Finally, the likeliest outcome is that they get poor entrepreneurial performance.

Scholars carried out extensive researches to resolve the above issues. The research topics are surrounded by the characteristics of the entrepreneur, the outcome of the entrepreneurship, factors influencing migrant workers’ entrepreneurship, etc. Nevertheless, the researchers are unfocused, the research methods are monotonous, and a complete theoretical research framework is absent.

In order to find a way to integrate the present researches scattered in this realm, this thesis established and distributed questionnaires. Through issuing questionnaires and acquiring Jilin Province’s data, this thesis explores the interactive mechanism among entrepreneurial traits,

entrepreneurial opportunities, entrepreneurial resources, and the entrepreneurial performance of returned migrant workers. Then integration research was conducted by creating an integrated model to depict and test the relationship of the above factors.

2. RESEARCH MODEL AND HYPOTHESIS

On the basis of system theory, this thesis constructs Migrant Workers’ Entrepreneurial Process Model. The model includes four elements: entrepreneurial trait, entrepreneurial opportunity, entrepreneurial resource, entrepreneurial performance.

2.1. Entrepreneurial Trait

Entrepreneur plays a central role in Migrant Workers’ Entrepreneurial Process Model. Entrepreneurial activity is originated from entrepreneur’s abilities which identify, develop and utilize the entrepreneurial opportunity. Besides, a perfect entrepreneurial process and favourable entrepreneurial environment contribute to entrepreneur performance. Therefore, whether the entrepreneur has the traits associated with a successful entrepreneur is rather important and becomes an initial power of business running well.

2.2. Entrepreneurial Opportunity

Entrepreneurial opportunity refers to a possibility of satisfying market demand and pursuing profit explored through identifying the market needs, integrating internal and external resources[1]. It is a very crucial part in Migrant Workers’ Entrepreneurial Process Model. Only if entrepreneurial opportunity exists, entrepreneur identifies, develops and uses it, entrepreneurial performance can be achieved finally[2].

2.3. Entrepreneurial Resource

Migrant worker who returns home with qualified traits can identify entrepreneurial opportunity effectively and develops it efficiently. But only when enough and matched entrepreneurial resources present, high entrepreneurial performance could be attained[3]. Entrepreneurial resources are possessed and utilized by a start-up during the entrepreneurial process, then gain revenue and develop competitiveness for the start-up[4]. Internal resources include financial resources, material resources, knowledge resources, human resources, and external resources mean external network resources, such as collaborators, suppliers, customers, banks.

2.4. Entrepreneurial Performance

Entrepreneurial performance measures the degree that a start-up meets the given targets and entrepreneurial effectiveness[5]. Meanwhile, achieving relatively high entrepreneurial performance can also reflect whether the start-up gains competitive advantages and achieve successful start-up[6]. The three indexes to measure entrepreneurial performance are as follows: the existence of start-up, the financial performance and the entrepreneurial activity’s significance to the entrepreneur himself (herself) and society.

According to the above discussion, the following research hypotheses are put forward:

- H_{1a}: Entrepreneurial trait has a positive effect on the returned migrant worker’s entrepreneurial opportunities.
- H_{1b}: Entrepreneurial trait has a positive effect on the returned migrant worker’s entrepreneurial resources.
- H_{2a}: Entrepreneurial opportunity has a positive effect on returned migrant worker’s entrepreneurial performance.
- H_{2b}: Entrepreneurial resource has a positive effect on the returned migrant worker’s entrepreneurial performance.
- H₃: Entrepreneurial trait has a positive effect on the returned migrant worker’s entrepreneurial performance.
- H_{4a}: Entrepreneurial trait has an effect on entrepreneurial performance through entrepreneurial opportunity.
- H_{4b}: Entrepreneurial trait has an effect on the entrepreneurial Performance through the entrepreneurial resource.

On the basis of the above hypotheses, the research model of this thesis is as follows:

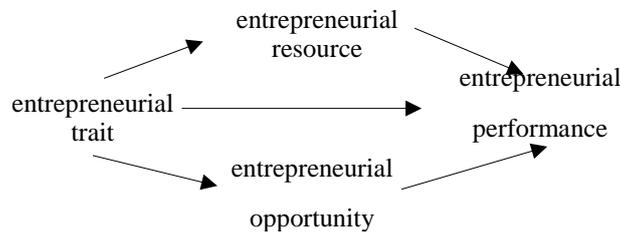


Figure 1. Research framework and hypotheses

3. ESTABLISHMENT OF QUESTIONNAIRE, FORMAL INVESTIGATION AND SCALE TEST

3.1. Establishment of the Questionnaire

First of all, the migrant workers returning home to start business should be defined so as to take them as targets to carry out questionnaires. So based on the available literature, through interview and secondary documents collection, the public and academic circle’s cognition about migrant workers’ returning home to start business was gotten. Then grounded theory was used to identify each subsystem and influencing factor which measures Migrant Workers’ Entrepreneurial Process Model, and the

questionnaire was developed in order to conduct further empirical research.

3.2. Formal Investigation

People who have ever been working out of their hometown then started business back in domicile place or nearby town are called returning migrant workers and taken as objects of this study. Returned migrant workers come from Changchun city, Tonghua city, Baishan city, Liaoyuan city and Yanji city of Jilin Province. The reason why this thesis takes returned migrant workers of these zones as objects is that they scattered in eastern, middle, western parts of Jilin Province. These regions vary in different development degrees, natural conditions, and humanity environment. The questionnaire survey has been conducted for 9 months. During the process of this questionnaire survey, 221

questionnaires were handed out, and 185 questionnaires were available.

3.3. Scale Test

The result of exploratory factor analysis shows that the variables are of relativity and suitable for performing factor analysis. The scale has rather high construct validity, and the questionnaire has good convergent validity. Every dimension's Square root of the AVE value is greater than the correlation coefficients between itself and other dimensions, that is to say, the two scales have rather good discrimination validity.

4. EMPIRICAL RESEARCH ON MIGRANT WORKERS' RETURNING HOME TO START BUSINESS

According to the collected data, making use of the statistical software SPSS 22.0, this thesis performed a

regression analysis in order to verify the hypotheses. The results of empirical research are as follows:

4.1. Entrepreneurial Trait and Entrepreneurial Opportunity

Taking entrepreneurial trait as an independent variable, entrepreneurial opportunity as dependent variable, a linear regression analysis is performed in this study. The specific analysis results are listed in table 1. The result of the regression analysis shows that entrepreneurial trait influences entrepreneurial opportunity of returned migrant worker to some extent. F test value of regression equation reaches a significant level of 0.000 and above, which proves that the regression effect is significant. Entrepreneurial traits can explain 14.3% of the entrepreneurial opportunity. So, the research hypothesis H1a is proven to be validated. Entrepreneurial trait has a positive effect on the returned migrant worker's entrepreneurial opportunity.

Table 1. Regression analysis result of entrepreneurial trail and entrepreneurial opportunity

independent variable	dependent variable	standardized coefficient	T value	Sig.	Adj.R ²
trait	opportunity	0.376	2.559	0.011	0.143

4.2. Entrepreneurial Trait and Entrepreneurial Resource

Taking entrepreneurial trait as independent variable, entrepreneurial resource as dependent variable, a linear regression analysis is performed. The specific analysis results are shown in table 2. The result of the regression analysis suggests that entrepreneurial trait influences

entrepreneurial resource of the returned migrant worker to some extent. F test value of the regression equation reaches a significant level of 0.000 and above, which proves that the regression effect is significant. Entrepreneurial traits can explain 19.9% of the entrepreneurial resource. Therefore, the research hypothesis H1b is proven to be true. Entrepreneurial trait has a positive effect on returned migrant worker's entrepreneurial resource.

Table 2. Regression analysis result of entrepreneurial trail and entrepreneurial opportunity

Independent variable	dependent variable	standardized coefficient	T value	Sig.	Adj. R ²
Trait	opportunity	0.376	2.559	0.011	0.143

4.3. Entrepreneurial Opportunity, Entrepreneurial Resource and Entrepreneurial Performance

Taking entrepreneurial opportunity and entrepreneurial resource as independent variable, entrepreneurial performance as dependent variable, a linear regression analysis is performed. The specific analysis results are shown in table 3. The result of regression analysis confirms that entrepreneurial opportunity and entrepreneurial resource influences entrepreneurial performance of returned migrant worker to some extent. F test value of regression equation reaches a significant level of 0.000 and above, which proves that the regression effect

is significant. Entrepreneurial opportunity and entrepreneurial resources can explain 52.6% of the entrepreneurial performance. Therefore, the research hypothesis H2a and H2b are proven to be true. Entrepreneurial opportunity has a positive effect on returned migrant worker's entrepreneurial performance. Entrepreneurial resource has a positive effect on the returned migrant worker's entrepreneurial performance.

Table 3. Regression analysis result of entrepreneurial trail and entrepreneurial opportunity

independent variable	dependent variable	standardized coefficient	T value	Sig.	Adj. R ²
opportunity	performance	0.227	2.980	0.003	0.526
resource		0.543	7.128	0.000	

4.4. Entrepreneurial Trait and Entrepreneurial Performance

Considering entrepreneurial trait as independent variable, entrepreneurial performance as dependent variable, a linear regression analysis is conducted. The specific analysis results are listed in table 4. The result of the regression analysis illustrates that entrepreneurial trait

influences entrepreneurial performance of returned migrant worker to some extent. F test value of regression equation reaches a significant level of 0.000 and above, which proves that the regression effect is significant. Entrepreneurial traits can explain 25.6% of entrepreneurial performance. So, the research hypothesis H₃ is proven to be validated. Entrepreneurial trait has a positive effect on the returned migrant worker’s entrepreneurial performance.

Table 4. Regression analysis result of entrepreneurial trail and entrepreneurial opportunity

independent variable	dependent variable	standardized coefficient	T value	Sig.	Adj. R ²
trait	performance	0.367	2.697	0.000	0.317

4.5. Mediating Effect Analysis of Entrepreneurial Opportunity between Entrepreneurial Trait and Entrepreneurial Performance

The test method of mediating effect put forward by Baron & Kenny (1986) is used in this thesis to examine the mediating effect of entrepreneurial opportunity. The specific analysis results are shown in table 5. The analysis result shows that when entrepreneurial performance is considered as dependent variable, entrepreneurial trait and entrepreneurial opportunity enter the regression equation

simultaneously; the independent variable gives an explanation of 51.5% entrepreneurial performance, 39.2% of explanation improved. At the same time, the regression variable of entrepreneurial trait is still significant (p<0.01), but original regression coefficients reduce at different degrees. That is, controlling demographic variables, when entrepreneurial trait and entrepreneurial opportunity enter the regression equation at the same time, the effect of independent variable on entrepreneurial performance reduces. Thus, it can be concluded that entrepreneurial trait has an effect on entrepreneurial performance through entrepreneurial opportunity. Therefore, the research hypothesis H_{4a} is proven to be true.

Table 5. Regression analysis result of entrepreneurial opportunity’s mediating effect

variable	trait	opportunity	F value	Adj. R ²	ΔR ²
performance	0.120	0.678	49.894	0.515	0.030

4.6. Mediating Effect Analysis of Entrepreneurial Resource between Entrepreneurial Trait and Entrepreneurial Performance

Table 6 reports the result of stratified regression analysis. The analysis result shows that when entrepreneurial performance is considered as dependent variable and entrepreneurial trait and entrepreneurial performance enter the regression equation simultaneously, the independent variable gives an explanation of 41.4% entrepreneurial

performance, 29.1% of explanation improved. At the same time, the regression variable of entrepreneurial trait is still significant (p<0.01), but original regression coefficients reduce at different degree. That is to say, controlling demographic variable, when entrepreneurial trait and entrepreneurial resource enter the regression equation at the same time, the effect of independent variable on entrepreneurial performance reduces. Thus, it can be concluded that entrepreneurial trait has an effect on entrepreneurial performance through entrepreneurial resource. Therefore, the research hypothesis H_{4b} is proven to be true.

Table 6. Regression analysis result of entrepreneurial resource’s mediating effect

variable	trait	resource	F value	Adj. R ²	ΔR ²
performance	0.126	0.603	33.531	0.414	0.291

5. CONCLUSION

5.1. Relationship Between Entrepreneurial Trait and Entrepreneurial Opportunity, Entrepreneurial Resource, Entrepreneurial Performance

Entrepreneurial trait has a positive effect on migrant workers' entrepreneurial opportunity, entrepreneurial resource and entrepreneurial performance. Because the returned migrant workers with the qualified entrepreneurial trait are better educated, more experienced, they own stronger cognitive abilities. Consequentially, they are more independent, grateful, hardworking, and optimistic, and then they have stronger psychological dynamics and self-efficacy to pursue more entrepreneurial opportunities. Meanwhile, they are more capable of identifying and grasping resources; accordingly they will gain more entrepreneurial resources and achieve better entrepreneurial performance.

5.2. Relationship Between Entrepreneurial Resource, Entrepreneurial Opportunity and Entrepreneurial Performance

Returned migrant workers who get more entrepreneurial opportunities have capabilities to attract investors. Similarly, returned migrant workers who possess more entrepreneurial resources, such as team resources, financial resources, equipment and organizational capabilities, will attract more investment opportunities. Returned migrant workers with more entrepreneurial resources are more advantageous in aspects of funds, organizational abilities, team collaboration abilities, which can attain better entrepreneurial performance. Returned migrant workers with stronger capabilities of opportunity identification and opportunity exploration have stronger entrepreneurial alertness and ability of opportunity integration, therefore they are more superior in opportunity screening and opportunity screening. In return, they have better entrepreneurial performance.

5.3. Mediating Effect of Entrepreneurial Resource between Entrepreneurial Trait and Entrepreneurial Performance

Entrepreneurial trait partly impacts on entrepreneurial performance by affecting the mediating variables of entrepreneurial opportunity and entrepreneurial resource. If returned migrant workers owning qualified entrepreneurial traits, they will grasp more opportunities and resources. In addition, they have stronger abilities of opportunity identification and opportunity development, more resources. Thus, they have more advantages and better performance. In conclusion, by the possession of more opportunities and resources, returned migrant workers with better traits can create a better performance.

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