

## **‘An Analytical Study on Entrepreneurial Intension and Capability of Employment Generation through Innovation and Entrepreneurship amongst Youth Pursuing Management Education in Pune City’**

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### **Introduction:**

The word ‘*entrepreneur*’ is French and literally translated means “*between-taker*” or “*go-between.*” To an economist, an entrepreneur is one who brings resources, labour, materials, and other assets into combinations that make their value greater than before, and also one who introduces changes, innovations, and a new order. Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time, and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources.

### **Statement of the Problem:**

**“Reservation towards entrepreneurship among students pursuing management education is due to absence of appropriate lessons, exposure and activities in management education”.**

In the present scenario it is observed that today’s young generation i.e. youths aspiring for higher education specially management education from various disciplines only because they feel that it would provide them a launch pad to land in the corporate world. With the advent of educational loan facilities being provided by several banks higher education has now become affordable as well. Some students are pursuing management education only because they have this notion that they will get a good job offer with a hefty package once they qualify the exams. But the reality is somewhat different when it comes to actual fact.

### **Review of Literature:**

The researcher has reviewed ample number of books, journals, periodicals and other web references to collect data related to the topic.

### **Objectives of the Study:**

The present research study has the following objectives:

#### **➤ Primary Objective:**

- To study whether the students pursuing management education are having entrepreneurial intention and capability of employment generation through innovation and entrepreneurship.

#### **➤ Secondary Objectives:**

- To study the reasons for becoming an Entrepreneur- “A Job Provider rather than Job Seeker” in order to examine the youths’ attitudes towards entrepreneurship.
- To study the expectations of youth from running their own business.
- To explore the social attitude of youth towards entrepreneurship.
- To study the obstacles confronted by youth entrepreneurs in starting their business.
- To study various factors like demographic, educational, psychological and social factors which impacts on entrepreneurship.

## Research Methodology:

### 1. Classes of respondents:

To conduct this research the respondents taken for consideration-included students of the Management Institutes affiliated to University of Pune who are pursuing full time MBA program.

### 2. Universe & Sample size:

All the students who are pursuing Full Time MBA Program from various Management Institutes affiliated to the University of Pune in Pune City are taken into consideration as far as the Universe is concerned.

To determine the sample size the entire City is divided into Four zones i.e. East, West, North & South Zone. Five Management Institutes from each Zone is selected and Ten students from each institute are contacted. Thus the sample size for the entire research is Two Hundred respondents.

### 3. Justification of Sampling Method:

From each Zone, Five Management Institutes of repute as per the judgment of the researcher is selected. Ten students from each institute are selected on random sampling technique. (Based on the convenience of the researcher and the availability of the students in the institute during survey.)

### 4. Sources of Data Collection:

The **Primary Data** can be collected using Quantitative Methods. Survey is the most popular method for quantitative method. In this research, the information is collected using human intervention. Survey approach used here is a personally administered survey or structured interview and personal interaction.

The major sources of **Secondary Data** for this research are publications, projects and Research Reports and Internet/Web.

### 5. Methods of Data Collection:

To conduct the research both Primary and Secondary Data was collected.

**Primary Data:** Primary data was collected by the researcher personally with the help of a questionnaire and schedule to avoid complications. Questionnaire will comprise of dichotomous questions as well as both open ended and closed ended questions. The questionnaire also comprises of multiple choice questions. Various scales like Rating Scale and Ranking Scales are also used in the questionnaire.

**Secondary Data:** The secondary data is collected through various books, journals, research papers, Ph.D. Thesis and also through internet.

### 6. Techniques of Analysis of Data:

The data collected from the field was subjected to Statistical Analysis. It is coded, collated, tabulated, employing descriptive statistics which involves summarizing variables using various percentages and then presented in Tables and Diagrams.

### 7. Note on Statistical Tools to be used:

Hypothesis formulated as a part of this research is proved based on the primary data collected and the analysis done on the data. The data analysis done is able to reflect the relation between the variables which helped in proving the hypothesis.

## STATEMENT OF HYPOTHESIS:

The statements of hypotheses are as follows:

### Hypothesis 1

H<sub>0</sub>:The first generation entrepreneurs rely more on family support at the promotion stage of their enterprises.

H<sub>1</sub>: The first generation entrepreneurs do not rely more on family support at the promotion stage of their enterprises.

### Hypothesis 2

H<sub>0</sub>:The entrepreneurial intention towards entrepreneurship is affected by student's own socio- economic background.

H<sub>1</sub>:The entrepreneurial intention towards entrepreneurship is not affected by student's own socio- economic background.

## DATA ANALYSIS AND INTERPRETATION

Que1. What are your reasons for joining Management Education program?

**Table No. 5. Reasons for Joining MBA Program**

S.No.	Reasons for Joining Program	No. of Respondents	Percentage
a	Getting a good job/placement and earning a hefty salary	65	32.5
b	Developing Skills for starting my own business	94	47.0
c	Helping in Family Owned Business	12	6.0
d	For Personality Development	29	14.5
<b>Total Respondents</b>		<b>200</b>	<b>100</b>

Que3. What are the Reasons for Starting your own Business?

**Table No. 6. Reasons for Starting Own Business**

Rating (1=very important; 5= irrelevant)

Ratings	Reasons for Starting Own Business			
	(a) Higher Income	(b) Independence	(c) Self Realization	(d) Fear of Unemployment
1	71	95	76	33
2	37	47	37	39
3	25	31	38	34
4	29	15	26	36
5	38	12	23	58
<b>Total Respondents</b>	200	200	200	200

Que9. What are your Expectations of owing and running your own Business?

**Table No. 7. Expectations from Business**

Rating (1=very important; 5= irrelevant)

Ratings	Expectations of Owning and Running a Business			
	(a) Stable Income	(b) Big Earnings	(c) Social Position	(d) To prove myself
1	86	72	74	98
2	50	51	54	36
3	29	36	26	24
4	18	22	20	16
5	17	19	26	26
<b>Total Respondents</b>	200	200	200	200

Que10. What is your Attitude towards Business failure?

**Table No. 8. Attitude towards Business Failure (A)**

Rating (1=very important; 5= irrelevant)

Ratings	Attitude towards Business Failure			
	(a) Social Stigma	(b) Losing Money	(c) Losing Opportunity	(d) Unrewarded Time Commitment
1	39	56	65	36
2	55	54	37	60
3	55	44	43	41
4	21	22	27	33
5	30	24	28	30
<b>Total Respondents</b>	200	200	200	200

Que11. What Family Obstacles may you face while starting your own business?

**Table No. 9. Family Obstacles while Starting own Business (A)**

Rating (1=very important; 5= irrelevant)

Ratings	Family Obstacles while Starting own Business			
	(a) No Financial help	(b) Family prefer me to be employee	(c) Suspicion of partners	(d) Family prefers study related career
1	60	54	28	57
2	37	47	40	43
3	37	41	51	35
4	27	26	40	28
5	39	32	41	37
<b>Total Respondents</b>	200	200	200	200

Que12. What kinds of assistance as students of Management Education do you feel is needed to overcome reservations about entrepreneurship?

**Table No. 10. Assistance Required for Entrepreneurship**

Rating (1=very important; 5= irrelevant)

Ratings	Assistance Required for Entrepreneurship				
	(a) How to prepare a Business Plan	(b) Advice on running a Business	(c) Finding People to work with	(d) Family prefers studies related careers	(e) Advice on Finding Finance
1	101	71	77	45	80
2	41	63	48	43	43
3	20	29	33	43	33
4	19	20	29	32	22
5	19	17	13	37	22
<b>Total Respondents</b>	200	200	200	200	200

## HYPOTHESIS TESTING

### Hypothesis 1

**Null Hypothesis:-**

H<sub>0</sub>:The first generation entrepreneurs rely more on family support at the promotion

stage of their enterprises.

**Alternate Hypothesis:-**

H<sub>1</sub>: The first generation entrepreneurs do not rely more on family support at the promotion stage of their enterprises.

**Table No. 11. Family Obstacles while Starting own Business(B)**

Family Obstacles for Starting Business	1 Very Important	2 Important	3 Relevant	4 Some What Relevant	5 Irrelevant	Total Percentage
No Financial Help	60	37	37	27	39	100
	30%	18.50%	18.50%	13.50%	19.50%	
Family prefer me to be employee	54	47	41	26	32	100
	27%	23.50%	20.50%	13%	16%	
Suspicion of partners	28	40	51	40	41	100
	14%	20%	25.50%	20%	20.50%	
Family prefers Study related Career	57	43	35	28	37	100
	28.50%	21.50%	17.50%	14%	18.50%	

**Discussion of the Results:**

As from the above Table No. 11 (B) it is seen that 60 respondents i.e. 30% of the students say that they do not get Financial Help from the family to start their own business. It can be concluded that first generation entrepreneurs do not rely on family support.

Hence Hypothesis “H<sub>1</sub>: The first generation entrepreneurs do not rely more on family support at the promotion stage of their enterprises” has been proved.

**Hypothesis 2**

**Null Hypothesis:-**

H<sub>0</sub>:The entrepreneurial intention towards entrepreneurship is affected by student’s own socio-economic background.

**Alternate Hypothesis:-**

H<sub>1</sub>:The entrepreneurial intention towards entrepreneurship is not affected by student’s own socio-economic background.

**Table No. 12. Attitude Towards Business Failure (B)**

Attitude towards Business Failure	1 Very Important	2 Important	3 Relevant	4 Some What Relevant	5 Irrelevant	Total Percentage
Social Stigma	39	55	55	21	30	100
	19.5 %	27.5%	27.5%	10.5%	15%	
Losing Money	56	54	44	22	24	100
	28%	27%	22%	11%	12%	
Losing Opportunity	65	37	43	27	28	100
	32.5%	18.5%	21.5%	13.5%	14%	
Unrewarded Time Commitment	36	60	41	33	30	100
	18%	30%	20.5%	16.5%	15%	

**Discussion of the Results:**

As from the above Table No. 12 (B) it is seen that 65 respondents i.e. 32.5% of the students say that even if the Business Fails they are with the attitude that they just lost an opportunity. Losing Money stands second for them as 56 respondents i.e. 28% have ranked it second option. Thus it can be concluded that entrepreneurial intension is not affected by social stigma or losing money. It is just losing an opportunity.

Hence Hypothesis“H<sub>1</sub>:The entrepreneurial intention towards entrepreneurship is not affected by student’s own socio-economic background” has been proved.

**Research Findings:**

- The answer to the Primary Objective is found through analysing the data collected for research.The data analysis revealed that out of 200 respondents, 94 students i.e. 47% students are pursuing MBA program because they want to develop skills for starting their own business. This gives us the proof that the students are inclined towards entrepreneurship and can generate employment.
- In the Secondary Objectives of the research, the questionnaire first suggested four specific reasons for starting up a business, in order to examine the students’ attitudes towards entrepreneurship: expectation of higher income, the aspiration to be independent, self realization and finally the fear of unemployment. After doing a significant amount of fieldwork, it was found that 95 respondents have said that they want independence followed by 71respondents for higher income. However 76 respondents have given priority to self realization.
- In the second part of the questionnaire, students were asked what they might expect from running their own business. Four specific expectations were suggested: a stable income, big earnings, a desirable social position and a chance to prove oneself, 98 respondents have given their consent towards proving themselves followed by stable income and big earnings.
- In order to explore the attitude of students towards the risk of business failure, the third part of the questionnaire proposed four concerns: risk of losing money, risk of missing other opportunities, risk of investing personal time without adequate rewards and the social stigma of failure. It was found that students are positive towards business failure, as 65 respondents

say that even if the Business Fails they are with the attitude that they have lost an opportunity. Losing Money stands second for them as 56 respondents have ranked it second option.

- As far as the problems confronted by the entrepreneur in starting their business it was found that 60 respondents have given that financial problem is the major problem that the entrepreneurs face while starting the business. 57 respondents say that family prefers that they should excel in the field in which they have made their career. 54 respondents say that the family wants them to become employees and work rather than establishing their own business.
- With reference to the factors which create an impact on entrepreneurship like demographic, educational, psychological and social factors it was found that education broadens their thought process and provides proper assistance to understand how to run and own business. This is proved from the responses received in the question pertaining to assistance required in starting a business.

### **Conclusions Drawn:**

- Management Education can generate entrepreneurs who will not only generate employment but also bring transformation in the society. Thus management education develops skills required for entrepreneurship.
- Management Students have shown willingness towards starting their own business but they need to overcome the problems that come in their way.
- It can be concluded that financial problem is the main problem which an entrepreneur faces as the family is not willing to support financially. Family members are reluctant as already a lot of money has been spent on providing vocational education. Hence family members feel that they should excel in their career chosen and work as employees instead of starting their own business from scratch.

### **Suggestions & Recommendations:**

- The MBA students need more practical exposure for which they should move into the market and meet various financial institutions which provide loan facilities and other support to start business.
- The learning should be an application based learning rather than rote learning. The students should know and have knowledge about the business they want to set up.
- Before starting their own business they should explore the market and meet people who are entrepreneurs and interact with them as they can share their experiences and can give their valuable suggestions which should be kept in mind by the budding entrepreneur.
- Students should be made aware about the legal documents which are required since inception of the business and the legal formalities which needs to be done while starting a new venture. They should be given a practical exposure so that they do not land in trouble when it comes to execution.
- Institutions which provide support to the budding entrepreneurs should organize awareness programs in various management institutions so that the students who have an entrepreneurial intension and capability can get in touch with these institutions and can gain knowledge and learn about the process.

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