



# Need for enabling an environment for management students to take up entrepreneurship

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## ABSTRACT

Entrepreneurship is the professional application of knowledge, skills and competencies and/or of monetizing a new idea, by an individual or a set of people by launching an enterprise. Given the increasing significance and visible impact of Entrepreneurship in wealth-creation and employment-generation, entrepreneurship is considered as critical to India's growth and development (NKC-2008). This study was undertaken to explore factors that have advanced Entrepreneurship in youth of India. The paper highlights the perception of youth towards entrepreneurship as a career. The paper also points out the realities of gap between students' learning about entrepreneurship in B-schools and ending up being entrepreneurs.

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## Introduction

### The Youth's Perception of Success in Entrepreneurship

A great deal of research has investigated the reasons for the creation of new enterprises and the entrepreneurial characteristics of those individuals responsible for the emergence of new firms. An important question is why some individuals decide to pursue entrepreneurial endeavors while others do not. While the utility derived from self-employment may exceed that derived from other career alternatives it is generally not a sufficient condition for an individual to engage in entrepreneurial behavior. Rather, entrepreneurial behavior has three necessary conditions, these being (i) the motive to pursue self-employment (or other entrepreneurial behavior); (ii) the perception of an apparently lucrative entrepreneurial opportunity; and (iii) access to the means to pursue that opportunity. Without the simultaneous existence of these three pre-requisite conditions entrepreneurial behavior will not eventuate (Jackson, Stephen, Peterson-2010). Underlying this motivation is the strength of the individual's abilities (human capital) and his/her attitudes to elements provided by entrepreneurship, which include autonomy, risk, work effort, income, and net perquisites.

### Objectives:

- To understand the perception of management students towards entrepreneurship.
- To find out what qualities according to the respondents are most important to take up entrepreneurship.
- To find out which of the qualities the respondents think that possess most.
- To know the gaps between the required level of entrepreneurial qualities and the level that is possessed by the respondents.
- To study the correlation between taking up entrepreneurship in future and
  1. if they are offered the project or asked to invest
  2. Awareness about the schemes
  3. If they get support from the government
  4. Awareness about the procedure of starting an enterprise
  5. Awareness of legal obligations

6. If they have come across any successful entrepreneur.

➤ To understand the extent to which the management students are exposed to entrepreneurship or enterprise management at their level.

➤ To find out the level of awareness that the respondents possess about the various support/schemes provided by the government.

### Teaching and Entrepreneurship:

Purposeful education enhances students' entrepreneurial efficacy through providing them attitudes, knowledge and skills to cope with the complexities embedded in entrepreneurial tasks such as opportunity seeking, resource assembling, and leading the business to success (Wilson, Kickul & Marlino, 2007). While Entrepreneurship has been introduced as a course in a number of business school curricula, there needs to be a greater thrust in making Entrepreneurship a priority subject. Other aspects of Entrepreneurship such as business ethics, early enterprise management, aspects of scaling up, Indian corporate law and relevant international laws, should also be a part of such curricula. Education enhances entrepreneurial efficacy of students through providing experience of mastery, role models, social persuasion and support by involving them in hands-on learning activities, business plan development, and running simulated or real small business

### Encourage Student-led Entrepreneurial Activities on Campus:

Entrepreneurship cannot be learnt only by 'chalk and talk'. Shared activities outside the confines of the textbook are imperative to develop leadership and team building skills that are necessary for Entrepreneurship. It is necessary to encourage activities within educational institutions, where entrepreneurial abilities find opportunities and fertile ground to grow. In several educational institutions, student led and faculty supported activities have been able to create awareness and prepare necessary mindsets about Entrepreneurship. Examples include the Entrepreneurship and Innovation Cell at IIM Bangalore and the Entrepreneurship Cell at IIT Bombay, which engage in activities such as business plan contests, assisting start-ups and incubation centers. Initiatives such as 'business plan contests' (with angel/VC/private sector assistance, which could directly

become entrepreneurial ventures with rewards in terms of seed funding), instructional programmes that deal with the basic practicalities of Entrepreneurship and platforms to interact with other entrepreneurs and the financial community (especially VCs and angels) need to be intensified and encouraged.

#### Methodology

Primary Data: question are method

Sample Size: A set of 41 Management students from different MBA institutions under Karnatak University, Dharwad.

#### Data Analysis

##### Interpretation:

According to the respondents, Education is the most important quality an entrepreneur should possess. And the least importance is given for the intellectual skills. The respondents believe that for someone to take up entrepreneurship, it is essential to be educated about enterprises and its management.

##### Interpretation:

According to the study, the respondents have rated intellectual skills as the most important quality they possess. It is very interesting to know that, the respondents are not risk takers. This is a major reason why there are very few young entrepreneurs as very few are risk takers. If we compare the ratings of the qualities they feel are essential to become an entrepreneur, and the qualities that they have, we can see the gap between the ratings.

##### Interpretation:

The table above shows the gaps between the degree of attributes required by an entrepreneur and the attributes that the respondents think they already possess. We can see that the respondents think that they possess better intellectual skills (negative-.149) and they are far more visionary (negative-.059) than what they need to become an entrepreneur, but having said that, the respondents reveal that there is lack of risk taking ability (.197) and lack of education or awareness about entrepreneurship (.216).

##### Interpretation:

The results reveal that there is positive correlation between taking up entrepreneurship in future and their obligation if they are offered the project or asked to invest. It shows a positive correlation of 0.311%

##### Interpretation:

The results reveal that there is positive correlation between taking up entrepreneurship in future and Awareness about the schemes. It shows a positive correlation of 0.282%. It is found that most of the students are unaware about the benefits in the form of schemes that government or any other authority is availing to the aspiring entrepreneur. The positive correlation tells us that due to the lack of awareness about the schemes, the youngsters are not inspired to become entrepreneurs.

##### Interpretation:

The results reveal that there is positive correlation between taking up entrepreneurship in future and Support from government. It shows a positive correlation of 0.770%. It means that the sample agrees to go for entrepreneurship if they get support from government. The sample is not a risk taker, the risk shared with the government shall leverage the chances of doing well, as the expertise of the sample shall be rewarded with a backup of strong schemes and support from various government departments.

##### Interpretation:

The results reveal that there is positive correlation between taking up entrepreneurship in future and awareness of the procedure of starting an enterprise. It shows a positive

correlation of 0.387%. Lot of the students are unaware as to how to start up an enterprise. The procedures seem to be so tedious that initiating to start up an enterprise looks difficult. Proper training to students shall be given in B-schools through the curriculum to make them know the proper procedure and documents to be arranged at the start up. This shall increase the chances for many youngsters to start their own enterprise.

##### Interpretation:

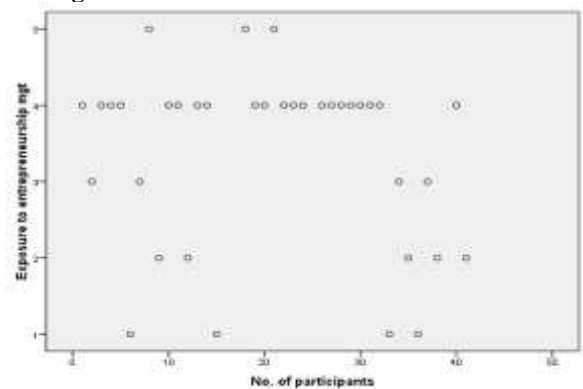
The results reveal that there is positive correlation between taking up entrepreneurship in future and awareness of legal obligations. It shows a positive correlation of 0.421%. Adding on to the previous finding, it is very important to know the legal proceedings required at the start up.

##### Interpretation:

The results reveal that there is positive correlation between taking up entrepreneurship in future and if they have Come across any successful entrepreneur. It shows a positive correlation of 0.327 %.. Knowing a successful entrepreneur increases the chances of indulging into entrepreneurship as the youngsters get inspired and thereby their confidence increases. They start treating the successful entrepreneurs as their role models.

**Scatter diagram to show the number of respondents and the extent to which they are exposed to entrepreneurship management**

##### Scatter Diagram



##### Conclusion:

The study revealed that out of 41 respondents, 21 respondents were of the opinion that the exposure to "Entrepreneurship management" was good. Only 3 of them said that there was greater exposure to the same. We can also say that even though, people have a good exposure towards Entrepreneurship management, they were reluctant to take up Entrepreneurship.

##### Findings:

➤ According to the respondents, Education is the most important quality an entrepreneur should possess. And the least importance is given for the intellectual skills. The respondents believe that for someone to take up entrepreneurship, it is essential to be educated about enterprises and its management.

➤ According to the study, the respondents have rated intellectual skills as the most important quality they possess. It is very interesting to know that, the respondents are not risk takers. This is a major reason why there are very few young entrepreneurs as very few are the risk takers. If we compare the ratings of the qualities they feel are essential to become an entrepreneur, and the qualities that they have, we can see the gap between the ratings.

➤ There are gaps between the degree of attributes required by an entrepreneur and the attributes that the respondents think they already possess. The respondents think that they possess better intellectual skills (negative-.149) and they are far more visionary (negative-.059) than what they need to become an entrepreneur, but having said that, the respondents reveal that there is lack of risk taking ability (.197) and lack of education or awareness about entrepreneurship (.216).

➤ The results reveal that there is positive correlation between taking up entrepreneurship in future and their obligation if they are offered the project or asked to invest. The respondents say, they would take up entrepreneurship if they are offered to work/invest on a project/ enterprise.

➤ The results reveal that there is positive correlation between taking up entrepreneurship in future and Awareness about the schemes. The respondents are of the opinion that, they would take up entrepreneurship in future if they are aware about the schemes provided by the government to start up an enterprise.

➤ The study revealed that there is positive correlation between respondents taking up entrepreneurship in future and the support they get from the government. The respondents say that they would take up entrepreneurship provided the support from the government in the form of grants, schemes and other aids.

➤ The results reveal that there is positive correlation between taking up entrepreneurship in future and awareness of the procedure of starting an enterprise. The respondents are of the opinion that, they would take up entrepreneurship in future if they are aware about the procedure to start up an enterprise.

➤ The results reveal that there is positive correlation between taking up entrepreneurship in future and awareness of legal obligations. The respondents reveal that, they would take up entrepreneurship in future if they are well acquainted with the legal obligations required to start up an enterprise.

➤ The results reveal that there is positive correlation between the respondents taking up entrepreneurship in future and if they have come across any successful entrepreneur. The respondents are of the opinion that, they would take up entrepreneurship in future because they are inspired by the successful entrepreneurs in their life.

➤ The study revealed that out of 41 respondents, 21 respondents were of the opinion that the exposure to "Entrepreneurship management" was good. Only 3 of them said that there was greater exposure to the same. We can also say that even though, people have a good exposure towards Entrepreneurship management, they were reluctant to take up Entrepreneurship.

#### References:

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- *Entrepreneurship as a Career Choice: An Analysis of Entrepreneurial Self-Efficacy and Intention of University Students Zaidatol Akmaliah Lope Pihie.*

#### The respondents were asked to rate the entrepreneurial qualities on a 5 point scale.

Communalities

	Initial	Extraction
Intellectual skills	1.000	.682
Risk taking ability	1.000	.741
Education	1.000	.913
Leadership qualities	1.000	.723
Visionary	1.000	.762
Long term planning	1.000	.800
Proactive thinking	1.000	.757
Managerial skills	1.000	.785
Market knowledge	1.000	.809

Extraction Method: Principal Component Analysis.

#### The respondents were asked to rate themselves on the entrepreneurial qualities on a 5 point scale.

Communalities

	Initial	Extraction
Rating on education	1.000	.697
Leadership qualities	1.000	.695
Long term planning	1.000	.650
Risk taking ability	1.000	.544
Intellectual skills	1.000	.831
Proactive thinking	1.000	.746
Visionary	1.000	.821
Market knowledge	1.000	.760
Managerial skills	1.000	.686

Extraction Method: Principal Component Analysis.

Communalities

Attributes	Attributes needed	Attributes Possessed	Gap Seen
Rating on education	.913	.697	.216
Leadership qualities	.723	.695	.028
Long term planning	.800	.650	.150
Risk taking ability	.741	.544	.197
Intellectual skills	.682	.831	(.149)
Proactive thinking	.757	.746	.011
Visionary	.762	.821	(.059)
Market knowledge	.809	.760	.049
Managerial skills	.785	.686	.099

**Correlation between the respondents taking up entrepreneurship if they are offered the projects**

Correlations

		Taking up entrepreneurship in future	Obligation if offered
Taking up entrepreneurship in future	Pearson Correlation	1	.311
	Sig. (2-tailed)		.061
	N	39	37
Obligation if offered	Pearson Correlation	.311	1
	Sig. (2-tailed)	.061	
	N	37	39

**Correlation between the respondents taking up entrepreneurship if they are aware about the schemes provided by the government**

Correlations

		Taking up entrepreneurship in future	Awareness about the schemes
Taking up entrepreneurship in future	Pearson Correlation	1	.282
	Sig. (2-tailed)		.086
	N	39	38
Awareness about the schemes	Pearson Correlation	.282	1
	Sig. (2-tailed)	.086	
	N	38	40

**Correlation between the respondents taking up entrepreneurship if they get support from the government**

Correlations

		Taking up entrepreneurship in future	Support from govt
Taking up entrepreneurship in future	Pearson Correlation	1	.770**
	Sig. (2-tailed)		.000
	N	39	37
Support from govt	Pearson Correlation	.770**	1
	Sig. (2-tailed)	.000	
	N	37	39

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**1. Correlation between the respondents taking up entrepreneurship if they are aware about the procedure of starting up an enterprise**

Correlations

		Taking up entrepreneurship in future	Procedure of starting an enterprise
Taking up entrepreneurship in future	Pearson Correlation	1	.387*
	Sig. (2-tailed)		.020
	N	39	36
Procedure of starting an enterprise	Pearson Correlation	.387*	1
	Sig. (2-tailed)	.020	
	N	36	38

\*. Correlation is significant at the 0.05 level (2-tailed).

**Correlation between the respondents taking up entrepreneurship if they are aware about the legal obligations required to start up an enterprise**

Correlations

		Taking up entrepreneurship in future	Awareness of legal obligations
Taking up entrepreneurship in future	Pearson Correlation	1	.421**
	Sig. (2-tailed)		.009
	N	39	37
Awareness of legal obligations	Pearson Correlation	.421**	1
	Sig. (2-tailed)	.009	
	N	37	39

\*\* . Correlation is significant at the 0.01 level (2-tailed)

**Correlation between the respondents taking up entrepreneurship if they have come across any successful entrepreneur in life**

Correlations

		Taking up entrepreneurship in future	Came across successful entrepreneur
Taking up entrepreneurship in future	Pearson Correlation	1	.327
	Sig. (2-tailed)		.051
	N	39	36
Came across successful entrepreneur	Pearson Correlation	.327	1
	Sig. (2-tailed)	.051	
	N	36	37