

ENTREPRENEURIAL PERCEPTION AMONG COLLEGE STUDENTS

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Abstract

Background

Aim

The main objective of the study is to analyse the entrepreneurial perception among college students in Ernakulam District.

Materials and Methods

The respondents of the study include commerce degree students of five arts and science colleges in Ernakulam District, Kerala State. The sample respondents consist of commerce degree students of the selected colleges who enrolled during the academic period 2012-15. The students included both males and females. Total number of students enrolled in the selected colleges during the period 2012-15 was 2498. A sample of 10% (250) was selected by adopting simple random sampling method for the purpose of the study. The data collected were suitably classified and analyzed keeping in view the objectives of the study. For the purpose of analysis, statistical tools like percentages, rank test, Friedman Repeated Measures Analysis of Variance on Ranks were applied.

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Results

The study revealed that most of the respondents preferred to start partnership form of business. The major reason for becoming entrepreneur was “starting own business” The major personality trait that the respondents possess to be entrepreneurs was “Honesty “. The major quality and skill which the respondents possess to be entrepreneurs was “confidence to get succeeded in own business”.

Key words: Entrepreneurship, industrialization, Economic Development, Innovativeness and Achievement Motivation.

Manuscript

Introduction

Entrepreneurship plays an imperative role in the growth of any society. Development of entrepreneurship culture and qualitative business development services are the major requirements for industrial growth. Entrepreneurship emerges from an individual’s creative spirit into long-term business ownership, employment creation, capital formation and economic security. Entrepreneurial skills are essential for industrialisation and for alleviation of mass unemployment and poverty.

Anil and Ronald(2005)¹ examined the individual enterprises in the government controlled environment and their response to market based environment. It was found out that education in entrepreneurial skills, financial support and net-working have enabled the individual enterprise to be successful. Sindhu and Geethakutty (2003)² in their study found out that the majority of women were successful because of self-initiation and innovativeness and support from the

financial institutions. Cheung (2008)³ examined the effectiveness of entrepreneurship education program in secondary schools in Hong Kong. The survey revealed that schools have taken comprehensive approach in delivering entrepreneurship education. The entrepreneurship education indeed prepares the students to become entrepreneurs in early stage of education.

Significance of the Study

Entrepreneurship is the propensity of mind to set up a business of one's own and run it profitably, acquiring all the qualities and skills that are essential for sustainable development and growth of the business. Entrepreneurship plays a vital role in the economic development of the country. They are the driving forces behind any economy. Entrepreneurs serve as the catalysts in the process of rapid industrialization and economic development. As Linkin states, 'No Entrepreneurs No development'. The entrepreneurs look for ideas and put them in to effect for economic development. The number of entrepreneurs and the economic growth are positively correlated. Entrepreneurs can exploit the limited resources in a better way, the utilization of limited resources for productive purpose results in industrial growth and there by leads to economic development and over all development of the country. As future of the nation depends upon today's youth, they are the ones who can create innovations and changes in the society. In this context, the present study entitled "Entrepreneurial perception among college students" assumes greater significance.

Scope of the study

The present study has been undertaken to analyze the entrepreneurial Perception among college students. The study is confined to college students (B.Com Degree) of five arts and science colleges in Ernakulam District, Kerala State.

Objective of the Study

The main objective of the study is to analyse the students' attitude towards entrepreneurship and their entrepreneurial traits.

Hypotheses of the Study

H₀₁ There is no significant difference among the respondents with regard to their personality traits.

H₀₂ There is no significant difference among the respondents with regard to the qualities and skills possessed by them to be an entrepreneur.

Selection of Sample

The respondents of the study include commerce degree students of five arts and science colleges in Ernakulum District, Kerala State. The sample respondents consist of commerce degree students of the selected colleges who enrolled during the academic period 2012-15. The students included both males and females. Total number of students enrolled in the selected colleges during the period 2012-15 was 2498. A sample of 10% (250) was selected by adopting simple random sampling method for the purpose of the study. The data collected were suitably classified and analyzed keeping in view the objectives of the study. For the purpose of analysis, statistical tools like averages, percentages, rank test, Friedman Repeated Measures Analysis of Variance on Ranks were applied.

Collection of Data

The data required for the study were collected from both primary and secondary sources. The primary data were collected from the respondents based on structured questionnaire. The secondary data were collected from reports, books and from various web sites.

Tools of Analysis

For the purpose of analysis, statistical tools like percentages, rank test and Friedman Repeated Measures Analysis of Variance on Ranks were used. For the rank data weighted average method was used to obtain the rank. Weighted mean is calculated and these means are ranked in order of magnitude from highest to lowest. To study the personality traits, qualities and skills possessed by the students to be an entrepreneur and the reasons for becoming entrepreneur, the relevant questions were asked in five point scales and are scored in the order of magnitude from 5 to 1. Overall score of each respondent was found out and which form the basis for comparison. The Friedman test is the non-parametric alternative to the one-way ANOVA with repeated measures.

Period of the Study

The survey was conducted during the period June to September 2015.

Entrepreneurial Perception among college students -Analysis

The study revealed that 64.4 % of the respondents were males and 35.6% of them were females(Table1).68% of the respondents belonged to general category, 18.4% belonged to OBC and 13.6% were in the SC/ST community(Table 2).The majority of the respondents were from nuclear family(Table 3).61.6% of the respondents were from semi-urban areas 20.4 % of them were from rural areas and only18 % of them were from urban areas (Table 4).The analysis of the type of business preferred to be started by the respondents revealed that 56.8% of the respondents preferred partnership form of business 36.4% of them preferred sole proprietorship business and only 6.8% of them preferred Joint Stock Company(Table 5) .Out of 63.6% of the respondents who preferred businesses other than sole trading concerns, 84.3% would like to become the manager of the business,12.6 % of them would like to become the supervisors and

3.1% of them preferred to work as an employee of the concern (Table 6). 47.2% of the respondents preferred to undertake manufacturing and trading business, 44% of them preferred trading business and 8.8% preferred manufacturing business (Table 7). 22% of the respondents would like to invest an amount of Rs.6 lakh and above, 38.8% of them would like to invest an amount of Rs.3 lakh to 6 lakh, 30.8% would like to invest Rs.1 lakh to 3 lakh and 8.4% of the respondents would like to invest less than Rs.1 lakh in their proposed businesses (Table 8). The major source of finance for the proposed business for the respondents was own fund which was ranked as first by the respondents. However, Private moneylenders were ranked as last (Table 9). The parents of some of the respondents were business men. The analysis of the nature of business undertaken by the parents revealed that 32 % of the respondents' parents were doing business. Out of 32% of the parents who were doing business, 80% of them were engaged in trading business, 2.5 % of them were engaged in manufacturing business and 17.5 % of them were engaged in manufacturing and trading business (Table 10). With regard to the type of business of the respondents' parents, 90% of them had sole proprietorship business and 10% of them were having partnership business (Table 11). The analysis of the reason for opting to be an entrepreneur by the respondents revealed that the major reason was "starting own business" which was ranked as first by the respondents. The second reason was "enjoy facing & overcoming obstacles" (Table 12). However, chi-square test also shows a significant difference with regard to the reason for opting to be an entrepreneur by the respondents (Table 12). The major personality trait that the respondents possess to be entrepreneurs is "Honesty" which was ranked as first by the respondents. "Human relations" was ranked as second (Table 13). However; chi-square test also shows a significant difference in this aspect since the p value 0.000 is less than 0.01 (Table 13). Therefore, the null hypothesis H_{01} stating that there is no significant

difference among the respondents with regard to their personality traits is rejected. The major quality and skill which the respondents possess to be entrepreneurs was “confidence to get succeeded in own business” (Table 14). The chi-square test result shows a significant difference in this regard, since the p value 0.000 is less than 0.01. Therefore, the null hypothesis **H₀₂** **stating that there is no significant difference among the respondents with regard to the qualities and skills possessed by them to be an entrepreneur is rejected** (Table 14) . 57.6% of the respondents have a very low probability of becoming entrepreneurs after graduation, and only 12.4% of them have a very high probability of becoming after graduation (Table 15).

Conclusion

The study revealed that most of the respondents preferred to start partnership form of business .Most of the respondents who preferred businesses other than sole trading concerns, would like to become the manager of the business. The major source of finance for the proposed business for the respondents was own fund .The major reason for becoming entrepreneur was “starting own business”. The major personality trait that the respondents possess to be entrepreneurs is “Honesty “. The major quality and skill which the respondents possess to be entrepreneurs was “confidence to get succeeded in own business”. Most of the respondents have a very low probability of becoming entrepreneurs after graduation.

References

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Table 1 Gender of the Respondents

Gender	Frequency	Percent
Male	89	35.6
Female	161	64.4
Total	250	100.0

Source:-Primary data.

Table 2 Community of the Respondents

Community	Frequency	Percent
General	170	68.0
OBC	46	18.4
SC/ST	34	13.6
Total	250	100.0

Source:-Primary data.

Table 3 Type of Family of the Respondents

Type of Family	Frequency	Percent
Joint	22	8.8
Nuclear	228	91.2
Total	250	100.0

Source:-Primary data.

Table 4 Place of Residence of the Respondents

Place of Residence	Frequency	Percent
Rural	51	20.4
Semi-Urban	154	61.6
Urban	45	18.0
Total	250	100.0

Source:-Primary data.

Table 5 Type of Business Preferred by the Respondents

Type of Business Preferred	Frequency	Percent
Sole Proprietorship	91	36.4
Partnership Firm	142	56.8
Joint Stock Company	17	6.8
Total	250	100.0

Source:-Primary data.

Table 6 Position Preferred by the Respondents in Concerns Other than Sole Trading Concern

Position Preferred	Frequency	Percent
Manager	134	84.3
Supervisor	20	12.6
Employee	5	3.1
Total	159	100

Source:-Primary data.

Table 7 Nature of Business Preferred by the Respondents

Nature of Business Preferred	Frequency	Percent
Manufacturing	22	8.8
Trading	110	44.0
Manufacturing & Trading	118	47.2
Total	250	100.0

Source:-Primary data.

Table 8 Likely Investment in the Proposed Business by the Respondents

Likely Investment(Rs)	Frequency	Percent
Less than 1,00,000	21	8.4
1,00,000 - 3,00,000	77	30.8
3,00,000 - 6,00,000	97	38.8
6,00,000 & Above	55	22.0
Total	250	100.0

Source:-Primary data.

Table 9 Sources of Funds for the Business of the Respondents

Sources of Funds	Weighted Mean	Rank
Own Fund	85.8	1
Loan from Financial Institutions	79.8	2
Friends & Relatives	55.7	3
Private Money Lenders	28.5	4

Source:-Primary data.

Table 10 Nature of Business of the Respondents Parents

Nature of Business	Frequency	Percent
Manufacturing	2	2.5
Trading	64	80
Manufacturing & Trading	14	17.5
Total	80	100

Source:-Primary data.

Table 11 Type of Business of the Respondents' Parents

Type of Business	Frequency	Percent
Sole Proprietorship	72	90
Partnership Firm	8	10
Total	80	100

Source:-Primary data.

Table 12 Reasons for Opting to be an Entrepreneur by the Respondents (Friedman Repeated Measures Analysis of Variance on Ranks)

Reasons	Mean Rank
Starting Own Business	7.70
Entrepreneurship is a Highly Desirable Career Alternative for People with My Education	6.18
Easy to Start Own Business	3.89
Nothing is More Exciting than Seeing Own Ideas Turn into Reality	7.25
Find a New Company Rather than Being a Manager of an Existing One	5.62
Beneficial to Society to Have Large Entrepreneurs Than Small Firms	6.24
Enjoy Facing & Overcoming Obstacles	7.54
Family and Friends Support to Start an Own Business	2.67
Motivation by Success Stories of Entrepreneurs	6.14
Compulsion	6.35
Independence	6.41

Source:-Primary data.

$X^2=647.332$ with 10 degrees of freedom significant at 1% level.

Table 13 Personal Traits of the respondents (Friedman Repeated Measures Analysis of Variance on Ranks)

Personal Traits	Mean Rank
Risk Taking	4.70
Innovativeness	4.20
Human Relations	5.87
Authoritative	3.82
Self Confidence	5.70
Active	5.14
Achievement Motivation	4.80
Creativity	4.61
Honesty	6.15

Source:-Primary data.

$X^2 = 228.295$ with 8 degrees of freedom significant at 1% level.

Table 14 Qualities & Skills Possessed by the Respondents to be an Entrepreneur (Friedman Repeated Measures Analysis of Variance on Ranks)

Qualities & Skills	Mean Rank
Spot Good Opportunity Before Others	2.66
Excel at Identifying Opportunities	2.61
Confidence to Get Succeeded in Own Business	3.50
Having Skills & Capabilities Required To Succeed as an Entrepreneur	3.04
Like to Challenge the Startups	3.19

Source: Primary data.

$\chi^2 = 88.545$ with 4 degrees of freedom significant at 1% level.

Table 15 Respondents Plans to be Self- Occupied in Future after Graduation

Responses	Frequency	Percent
Very high Probability	31	12.4
High Probability	4	1.6
Neutral	48	19.2
Low Probability	-	-
Very low Probability	144	57.6
Total	250	100.0

Source:-Primary data.

