

ENTREPRENEURIAL MOTIVATION OF MANAGEMENT STUDENTS – AN EMPIRICAL ANALYSIS

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Abstract

India is a country which is second highest in the world in terms of population. At present, Indian economy is the fifth largest economy in the world and is inclining to gain a prominent place in the forthcoming years. Entrepreneurship can be an mode through which India can tap these opportunities and be economically developed. It has gained greater significance at global level under changing economic scenario. The Industrial Policy of the Government of India has specially highlighted the need for special entrepreneurship programmes for young budding entrepreneurs to enable them to start small-scale industries by providing financial aid, incentives and subsidies. India is ninth in the Global Entrepreneurship Monitor (GEM) survey of entrepreneurial countries. The most recent statistics available for India is that 12.5 per cent of the total Indian working population was involved in opportunity-based ventures. Students in B-school think that entrepreneurship is glamorous, but not for them. For them entrepreneurship is something that need to be taken up only after gaining several years of work experience and huge sums of money backing up. MBA education is clearly a ladder towards a high paying job in one of the big companies. This paper is a descriptive study on entrepreneurial motivation of management students in self-financing management Institutes under Kannur University. The study will help in identifying the factors which favour and hinder entrepreneurship. This study will help in formulating policies and strategies for promoting entrepreneurship from different perspectives like the Management Institutes, State Government and other agencies.

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Introduction

Entrepreneurship is the act of being an entrepreneur. According to Joseph A. Schumpeter, an entrepreneur is “one who innovates, raises money, assembles inputs and sets the organisation going with his ability to identify them and opportunities, which others are not able to fulfil such economic opportunities”. Further, he is an innovator playing the role of a dynamic businessman adding material growth to economic development. He is a person who is ready to put his or her career and financial security on the line and takes risk to convert his idea into a venture. The entrepreneur can start either an innovative organization or can revitalize an mature organization. It is a challenging task for an entrepreneur to turn his idea into a reality as long hours of work, sacrifices, dedication and patience is needed. Truly, entrepreneurship is not for everyone.

An entrepreneur to be successful following traits are required :-

- 1) Strong leadership qualities – An entrepreneur should be able to inspire ordinary persons to accomplish goal.
- 2) Self-motivated – An entrepreneur should bring in continuous change and be optimistic about the future. This enhances their confidence and always motivate them towards their ultimate goals.
- 3) Sense of ethics and integrity – An entrepreneur should always follow the code of ethics to bring growth in business. He should also have integrity so that all the stakeholders have trust and confidence in doing business with him.
- 4) Willingness to make sacrifices and assume risks – An entrepreneur should be prepared to sacrifice his time, energy and resources to make his venture successful. He should be willing to take risk as risk and reward are inseparable.
- 5) Innovative ability – The entrepreneur should initiate innovative activities by bringing improvements in products, services and processes.
- 6) Learning capability – Entrepreneurs should always be ready to learn so that he can know the unknown and implement it in his venture.
- 7) Desire for high achievement – A successful entrepreneur should have a strong desire to achieve higher goals in business. He who can dream big can only become successful.
- 8) Foresight – Entrepreneur should know about the future environment so that they will be able to take timely actions.

- 9) Determination, courage and perseverance – They should have strong will-power and determination to succeed. They should have courage and perseverance to face the ups and downs in business.
- 10) Strong network – Creating networking with different people can help an entrepreneur to become successful.

Entrepreneurship in Kerala

Kerala is industrially backward even after being one of the leading states in literacy rate. But the unemployment rate was 9.8% in the year 2007-08. There are many reasons for this condition. One important reason is that Kerala has no traditional entrepreneurial class. Majority of the people of Kerala are interested in white-collar job. Also, the adequate funds are not being channelised into entrepreneurial activities.

There are no basic or key industries in Kerala. The total number of SSI units registered in Kerala as on 31st March, 2004 was 2.75 lakhs with an investment of Rs. 4,031 crores providing employment opportunity to 12.37 lakh persons. The largest number of women entrepreneurs is in Ernakulam district (35,609) and the smallest in Wayanad (4,586).

The traditional industries like coir sector, handloom industry, and cashew industry in Kerala by and large have shown reasonable growth in output and income.

Entrepreneurship Education

According to 'Special Report: A Global Perspective on Entrepreneurship Education and Training', GEM, 2008, Entrepreneurship education is defined in broad terms as the building of knowledge and skills for the purpose of entrepreneurship generally, as part of recognized education programs at primary, secondary or tertiary-level educational institutions. Entrepreneurship education is vital for developing country like India. A formal education in entrepreneurship will lay a foundation on how to focus on realization of opportunity. Management education focuses on how to operate a business effectively and efficiently. Are the B-schools emphasizing on promoting entrepreneur?

Entrepreneurship education will focus on realization of opportunity, which can be initiated through management education. The realization of opportunities can be in different ways:

- a) Opening a new organization
- b) Introduction of innovative products or services
- c) Invention of new processes
- d) Finding new markets
- e) Creating charitable organization.

Entrepreneurship education can build a foundation for the budding entrepreneurs through higher education system. But the present business management education is not concentrating entirely on nurturing entrepreneurship. The B-Schools can be the right tool for shaping and developing management graduates for entrepreneurship. Through this the students can gain insights about the various facilitating schemes and incentives provided by the Government of India. A change can be brought in through these budding managers who can become the potential entrepreneurs. To create interest towards entrepreneurship, it can be provided as an elective in the management course. It can include learning tools like business plans, consultation & interaction with practicing entrepreneurs, live case study, experience sharing of successful entrepreneurs and use of video and films. This can equip the students with the skills, knowledge and mind-set for starting a business.

Objectives of the study

- 1) To study about the opportunities that promote entrepreneurial ability among management students under Kannur University.
- 2) To assess the motivation level among the students towards becoming entrepreneur.
- 3) To examine the factors that motivate the students.
- 4) To give suggestions based on the findings.

Research Methodology

The primary data was collected from students pursuing MBA Semester IV in the colleges under Kannur University by personally administering the questionnaire. Convenience sampling method was used for drawing the sample. The sample size considered for the study was 112.

Tools used

- Entrepreneurial orientation inventory
- Questionnaire testing motivation level

Data collected for Orientation Inventory Questionnaire

Table 1

<1	Non-experimental
1-2.99	Potential entrepreneurs
3-6.99	Successful entrepreneurs
>7	Need to change

Table no. 1

Standard Scores	Scores Obtained	% of Score
<1	5	4.46
1-2.99	73	65.18
3-6.99	34	30.36
>7	0	0
Total	112	

Source: Primary data

Interpretation

The above table shows that majority of the students (65.18%) pursuing MBA under Kannur University are potential entrepreneurs. They have the potential to undertake entrepreneurship but support and motivation has to be provided. 30.36% of the respondents are in the category of successful entrepreneurs. If provided with right opportunities they have the potential to start enterprise and make it successful. Only 4.46% of the respondents are non-experimental. It shows that they can be an employee but cannot become entrepreneurs.

Table no. 2

Standard Scores	Type
0-32	The Drone
33-94	The Intrapreneur
95-120	The Entrepreneur

● **The Drone :-** A drone is someone who follows a schedule and does not change it. Drone are characterised by a refusal to adopt opportunities to make changes even in situations of failure. He follows an ideology blindly and uncritically.

● **The Intrapreneur :-** An inside entrepreneur, who uses entrepreneurial skills without incurring the risks associated with those activities. Intrapreneurs are usually employees within a company who are assigned a special idea or project, and are instructed to develop the project like an entrepreneur would. The intrapreneur's main job is to turn that special idea or project into a profitable venture for the company. A person who aims at personal fulfillment more than at economic gains when creating a business.

● **The Entrepreneur :-** The entrepreneur develops a business plan, acquires the human and other required resources, and is fully responsible for its success or failure. He is a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk.

Table no. 3

S.no.	Standard scores	Scores obtained	% of scores
1	0-32	12	10.71
2	33-94	93	83.04
3	95-120	7	6.25
	Total	112	

Source: Primary data

Interpretation

- The above table reveals that majority of the students (83.04% of the sample) are intrapreneurs. They exhibit entrepreneurial traits but are not risk takers. They have the innovative ideas which they prefer to share with the company they are working. They can manage their work effectively.
- 10.71% of the respondents are the drone. They will never start up a business, and will remain as a worker life long. They lack initiative because of which they remain stagnant in their career. They are prone to work only under someone else supervision.
- Finally, a small chunk of students i.e. 6.25% of the respondents are the entrepreneurs. They are the suitable persons who are ready to start their own enterprise.

Conclusion

Entrepreneurship education is vital for the overall development of the economy. The study reveals that the students pursuing management education under Kannur University has the potential to become entrepreneurs in the future. 65.18% come under the category of potential entrepreneurs, which is really a good sign for developing entrepreneurship. But there is lack of motivation. It is found that only 6.25% of the sample are motivated to take up entrepreneurship. So, it is the role of the University and colleges to take initiative to encourage entrepreneurship by conducting workshops that increases the motivation level of the students to start up enterprise. Recently, Kannur University has already started a business incubation centre which will help the students to work on some innovative ideas and will help in start-up businesses. The entrepreneurial efforts can help the country in generating employment to large number of people which will help in improving their standard of living. This will reduce poverty in the country also. So, it is the equal responsibility of the government to provide incentives and reduce formalities to encourage young entrepreneurs to start an enterprise.

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