

Entrepreneurial Decision-Making – Challenges for Students in Contemporary Times

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Abstract

Entrepreneurship has come up as an efficient solution to the problem of unemployment faced by every major economy in the world. It is the readiness and ability to be the organizer and coordinator of the basic factors of production in a functional manner so that they can be transformed into final products. This study attempts to understand the entrepreneurial inclinations among the students of district Bhiwani and various factors that affect their decision. Descriptive statistics is opted to analyze the factors in terms of opportunities and challenges that seem to have some bearing on the entrepreneurship decision as perceived by the students. The study strives to understand the perception of the youth, towards these factors.

Keywords- Entrepreneurship, Business Environment, Decision-making, Unemployment

Introduction

Entrepreneurship can be defined as an activity of engaging in an economic activity based on some innovation to fulfill the needs of the consumers. In subjective sense concept of Entrepreneurship can be defined as the readiness even more than the ability to be the organizer and coordinator of the basic factors of production in a functional manner so that they can be transformed into final products. The concept is directly related with the decision making of the

individual, between the employment opportunities and the decision to become self-employed. It is described as both readiness and ability to efficiently manage a business enterprise in an environment which bears uncertainties. It is the endeavor to visualize a profitable business model, creating it and scaling it to the maximum possible heights, and finally sustaining it through the scarcity of resources. Furthermore, entrepreneurs are defined as an innovator who has the risk-taking ability to become an initiator and driver assuming the responsibility and accountability of an enterprise and its people. These are the individuals who are driven by passion and play a key role in the economy by creating profits, employment and products & services that are innovative and required in the economy.

Entrepreneurs are not just traders who engages in exchange of goods and services for monetary gains, they have multi-dimensional roles and responsibilities which justifies the eminence of the concept and the individuals engaged in it. Following are few roles attained by entrepreneurs in the contemporary environment:

- ✎ **Initiator** – An entrepreneur is the one who initiates to fulfill a need gap, addressing any problem, innovation in existing products etc. Entrepreneur is the one who does not shy away from taking the steps that are novel.
- ✎ **Creating Employment** – An Entrepreneur, gets an employment for self and employs other people in their enterprise to keep the wheel of economy moving. Entrepreneurship is being looked at the most sustainable solution to the emerging problem of unemployment.
- ✎ **Identification of Opportunities** – Entrepreneurs are the ones who identify the profitable ideas and give them a shape of a product or service to further scale the idea. They also mobilize the resources for their utilization in the production of the products and services.
- ✎ **Risk Taker** – Entrepreneurs are the ones who backs the new and innovative ideas by their capitals, and hence they are the ones who assume the financial and environmental risks.
- ✎ **Allocator** – Entrepreneurs have to assume the responsibility of the allocator of the resources to their efficient uses. Along with being allocator entrepreneurs are also the mobilizers of the resources.

Entrepreneurship as a solution to “Unemployment”

In the contemporary times, entrepreneurship is not just looked up as a lucrative career option but also, as a remedy to the emerging problem of unemployment. In the Indian context unemployment is not just an economic problem but has another dimension to it as well. The other dimensions significant dimensions are social and political.

Social dimensions include the expectations assumed out of the scenario of both the job-seekers and their families. The profiling of employment offered and the qualification of the candidate creates a big gap in the country's economic scenario. The political aspect related to the employment in India is also noteworthy. The most sought type of employment in India is the Government Jobs, and the regime offering it becomes the prospective vote winners in the country.

Entrepreneurship is a justifiable solution to the problem of the Unemployment in India. An entrepreneur is the one employs self as well as creates jobs for others in the economy. Economic activity at this level, has a multiplier effect which makes it safe to say that it is a long-term process. Entrepreneurship can easily reduce the problem of Unemployment efficiently, if not completely terminate it.

Entrepreneurship – Aided by Government

Government of India is aware enough of the crucial role of the start-ups and entrepreneurs in the economic growth of the nation. Entrepreneurship and self-employment ideas are floated as a n efficient solution to the menace of ever-rising unemployment rates in the country by the regime. Several flagship schemes have been launched by the GOI starting from funding solution to market-place and scalability solutions in elementary interface and online modes. A total of 124 schemes are listed on the official website of “Startup India” ^[1]. Following are some Developmental and Financial assistance schemes run by Government of India and included in the scope of current study.

1. SAMRIDH Scheme:

SAMRIDH scheme comes under the aegis of the Ministry of Electronics and Information Technology (Meity), and is an assistance scheme where startups are the main beneficiaries with fund assistance up to INR 40 Lakhs through both online and offline applications. The main Objective listed is to boost the Start-up ecosystem in the country ^[2].

2. Pradhan Mantri Mudra Yojana:

Although launched way back in 2015, **PMMY** is still relevant for the startups and MSMEs. Pradhan Mantri Mudra Yojana provides easy loans under various categories defining the needs and growth of the MSMEs titled, “Shishu”, “Kishore” and “Tarun”. The lending institution include Commercial Banks, NBFCs etc.

3. ATAL Innovation Mission:

Launched in year 2016, it is an initiative to create a start-up favorable environment under the aegis of the NITI Aayog. It aims to create an innovative and problem-solving mindset beginning from schools and universities. It runs various initiatives under it like ATAL Tinkering Labs, Mentorship for Change etc. which are managed through sophisticated system of MIS.

4. ATAL Incubation Centre:

Under AIM, incubators are setup with the objective to support innovative entrepreneurship for sustainable ideas that can be scaled. Incubation emphasizes on four basic pillars, Concept, Capabilities, connect and capital.

5. Women Entrepreneurship Platform:

It is a web portal made with intent of facilitating unified access to the women entrepreneurs from all the regions of India with relevant information so that women can achieve their true entrepreneurial capabilities^[3]. It comes under the aegis of the NITI Aayog, and it built on three pillars – Iccha shakti, Gyan Shakti and Karma Shakti.

6. Start-up India Seed Fund:

SISF is laid down in form of a 19-point action plan, which envisions building a robust entrepreneurial environment and providing the capital assistance to eligible start-ups. A well-defined eligibility criterion is laid for the assistance provision looked after by a panel of experts holding key designations.

Vocational Training & Skill Development

Vocational training can be defined as a course of study that is specifically designed to develop a technical skill in the learner which is specialized in nature. It intends to prepare the learner for an occupation like mechanics, accounting and book-keeping etc. Vocational courses can be as sophisticated as Bikes or Cars' customization to as basic as Mehendi courses. These are different from the conventional education in the sense that these are more practically applied as well as instructional and not theoretical in nature.

It would be appropriate to discuss the Indian scenario in in context to the vocational education, which calls for 1-2 vocational training subjects in higher educational stages. This much vocational training that too almost theoretical in nature is not sufficient for the acquiring and appropriate development of skill. Actual

vocational training is actually is generally imparted outside the conventional educational institutes and certification or recommendation is earned upon completion.

Review of Literature

Bongsu Hutagalung et al. (2020) Found out that there is a significant positive effect of the variables, “Entrepreneurship Education” and “Family Environment”. The study further concluded that out of the two variables, family environment has a higher impact on the motivation or inclination of students towards entrepreneurship. Furthermore, it was found out that, respondents whose parents were employed in some jobs are more prompting for their children to become entrepreneurs.

Gujrati, Tyagi & Lawan (2019) asserted that the three variables, Entrepreneurial education, family's financial status and student's entrepreneurial intentions have some relativity. The study explained that family's financial status is decisive about the reach of the entrepreneurial education among the students, and the entrepreneurial education then affects the choice of students about entrepreneurship as a career choice.

Darmawan K et al. (2017) recognized the lack of the identification of the entrepreneurial competencies in structured manner, though plethora of research work can be found on it. The study also highlighted the lack of Entrepreneurial Competency identification specifically among the socially and economically backward Indian social groups. The importance of such mapping is also highlighted, so that the advantages of economic development can be dispersed among all through participation.

Gandhi (2016) found a close connection between the factors of entrepreneurship and economic development. The study asserted that the economic growth can be perceived as the result of the efforts of the entrepreneurs and hence the political regime of a nation must work towards development of an environment that is more amiable for entrepreneurship.

Sharma (2014) carried out a quantitative study in the Uttarakhand state of India, and concluded that students who belonged to families with higher income were more inclined towards higher education. Three

other factors were taken in the study namely, Family's financial capital, manpower capital and human capital, but these factors could not be validated to be exerting a significant influence over the career choices or opting for entrepreneurship.

Marič, Jeraj & Pavlin (2010) established that entrepreneurship is an important factor for every economy. They also found out in their study that entrepreneurship is a long-term process which if cannot be a complete solution to the problem to unemployment, it can prove to be an effective and sustainable solution. They highlighted the need of appropriate governmental measures to create a more entrepreneurship friendly environment.

Objectives of the Study

1. Assess the awareness of students towards entrepreneurship opportunities provided by government.
2. Find out the attitude of students towards skill-development & vocational training on opting entrepreneurship as a career.

Research Methodology

For the current study, **Descriptive Research Design** has been used. A sample size of 160 has been taken. For the sampling purpose, an online questionnaire was created and the circulation was also online. Every response was collected online and the respondents filled the questionnaire independently. The questionnaire was sent to different educational institutions as the target sample was the students. Awareness level and attitude of the respondents about various factors affecting entrepreneurship is studied under the current research. Due to constraints of resources, a smaller sample size based on convenience sampling has been opted. Descriptive statistics is used for the present study.

This study attempts to understand the entrepreneurial inclinations among the students of district Bhiwani and various factors that affect their decision. Factors studied in this study relates to the government initiatives and opportunities favorable for entrepreneurship, financial status of family, economic

engagement of family, skills and vocational training that seem to have some bearing on the entrepreneurship decision as perceived by students. Entrepreneurship as a concept does not necessarily come across only as an opportunity, there are certain challenges related to the concept like capital requirements, factor management, technological adaptations, managing environment, risk perception, marketing, business policies and similar.

Data Analysis and interpretations

For this study a sample size of 160 has been taken, responses are collected through online circulation on Convenient sampling basis. Respondents were the students from the educational institutes of District Bhiwani. The online Questionnaire was created based on the objectives of the study. Following interpretations can be made.

- I. Demographic characteristics of the respondents represented by table-1
 - a. Row-1 of the table-1 analyzes the gender identities of the respondents. Out of total 160 respondents, 67.5% were male students and 32.5% were female students.
 - b. Row-2 of the table below depicts the various age groups to which the students belong to, the majority of the respondents were between the ages 18 to 30, represented by 93.1%, only 3.1% respondents were those who were above the age of 30 and 3.8% respondents were between below 18 years of age.
 - c. Row-3 of first table describes about the educational qualifications of the respondents. 25.6% candidates were non-graduates, 21.9% were graduates, and 27.5% were post- graduate students. The remaining 25% students were those who had diplomas and polytechnic degrees.
 - d. Row- 4 of table- 1 shows the employment background of the family of the respondents. Families of 26.9% respondents were self-employed, 25% responded government jobs, and 28.1% for Private jobs. Remaining 20% responded to be engaged in other economic activities like farming, professionals (Lawyers, Doctors etc.) and other.

Sr. No.	Demographic Factors	Variables	Frequency	Percentage
1.	Gender	Male	108	67.5%
		Female	52	32.5%
2.	Age	Below 18	6	3.8%
		18-30	149	93.1%
		Above 30	5	3.1%
3.	Qualification	Non-Graduate	41	26.5
		Graduate	35	21.9%
		Post-Graduate	44	27.5%
		Other	40	25%
4.	Employment Background of Family	Business/ Self Employed	43	26.9%
		Government Jobs	40	25%
		Private Jobs	45	28.1%
		Other	32	20%

Table-1

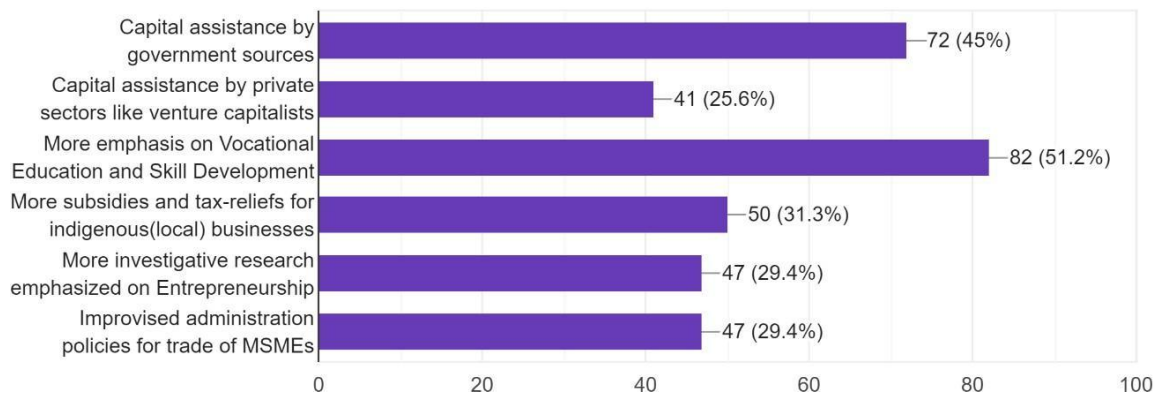
II. Governmental aids that support Start-Ups and their successful administration

Graph- 1 is a depiction of various responses gathered on the question of possible measures that could help in incubation of the new Start-ups in the nation and their successful administration in terms of the resource availability, funds etc.

According to the responses collected, 45% people were of the thought that **Capital Assistance by government sources** can useful, contrary to which a relatively lower percentage of 25.6, thought that **Capital assistance** can come from **private sources** as well. A majority of 82% agreed on the point of **emphasis on Vocational Education and Skill Development**. 50% agreed that **Subsidies and tax reliefs** should be given to the indigenous businesses. 29.4% respondents were of the view that **Investigative Research** can be an aid to Entrepreneurship in India. 29.4% demanded **improvised Policies for Trade of MSMEs**.

Which of the following could be more helpful for the incubation and successful administration of new start-ups in the nation?

160 responses



Graph-1

III. **OBJECTIVE-1** Assess the awareness of students towards entrepreneurship opportunities provided by government

Sr. No.	Statements	Ranks					Total no. of Respondents
		1 SD	2 D	3 N	4 A	5 SA	
1.	I am aware of the government initiatives for the development of entrepreneurship in India.	11	16	28	69	36	160
2.	I am informed of the "SAMRIDH Scheme"	17	32	25	65	21	160
3.	I am familiar of the "Pradhan Mantri Mudra Yojana"	13	27	25	65	30	160
4.	I am aware of the "ATAL Innovation Mission"	16	29	28	60	27	160
5.	I am enlightened about the Financial Assistance Schemes of the government to aid the entrepreneurs	16	27	34	59	24	160
6.	I know about "ATAL Incubation Center"	16	36	29	58	21	160
7.	I have heard of "The Women Entrepreneurship Platform"	16	25	18	66	35	160
8.	I understand the "Start-up India Seed Fund"	15	20	22	74	29	160
9.	Above mentioned initiatives run by the government of India are significant for the development of entrepreneurship environment and incubation of new startups in India	13	17	25	72	33	160
10.	Political Environment and its factors are favorable for development of "Entrepreneurial Environment" in India	16	22	34	63	25	160

Table- 2

Table 3 contains the responses collected by an aggregate of 160 respondents, about the statement related to the entrepreneurship opportunities provided by the government. In the table SD represents, Strongly Disagree, D stands for Disagree, N is used to represent Neutral, A represents Agree and SA signifies Strongly Agree. 10 Statements assessing the awareness level of the respondents towards the Entrepreneurship opportunities, their significance and political factors in context to the development of entrepreneurship are included.

Sr. No.	Statements	Frequency	Percentage
1.	I am aware of the government initiatives for the development of entrepreneurship in India.	105	66%
2.	I am informed of the "SAMRIDH Scheme"	86	54%
3.	I am familiar of the "Pradhan Mantri Mudra Yojana"	95	59%
4.	I am aware of the "ATAL Innovation Mission	87	54%
5.	I am enlightened about the Financial Assistance Schemes of the government to aid the entrepreneurs	83	52%
6.	I know about "ATAL Incubation Center"	79	49%
7.	I have heard of "The Women Entrepreneurship Platform"	101	63%
8.	I understand the "Start-up India Seed Fund"	103	64%
9.	Above mentioned initiatives run by the government of India are significant for the development of entrepreneurship environment and incubation of new startups in India	105	66%
10.	Political Environment and its factors are favorable for development of "Entrepreneurial Environment" in India	88	55%

Table-3

Table No- 3 and 4 describes the awareness among the students about the Entrepreneurship opportunities provided by the government of India. For this some flagship schemes run and administered by the Government of India have been taken and the awareness levels of the students for the same has been assessed. Variables taken for current objective are the awareness of the government initiatives for Entrepreneurship development, financial assistance schemes, their significance etc. A total of 160 responses are assessed, out of which 105 respondents or 66% agreed that they are aware about the “Developmental Schemes and Initiatives” of the Government of India. 54% respondents are informed about the “SAMRIDH Scheme”, 95 out of 160 or 59% respondents are familiar with the “Pradhan Mantri Mudra Yojana” and 54% respondents knew about the “ATAL Innovation Mission”.

52% respondents were aware about the “Financial Assistance Schemes” run by the government to aid the entrepreneurship environment in India to solve the financial requirements of the aspiring entrepreneurs. 49% respondents were assertive about knowing “ATAL Incubation Center”, 63% respondents were aware about the initiative, “The Women Entrepreneurship Platform” and 64% respondents knew about the “Start- up India Seed Fund”. A total number of 105 or 66% respondents were affirmative that the government’s initiatives are significant for the development of Entrepreneurship and incubation of new startups in India. 55% respondents responded in agreement to the statement that, India’s political environment and its factors are favorable for development of the “Entrepreneurial Environment” in India.

IV. OBJECTIVE-2 Find out the attitude of students towards skill-development & vocational training on opting entrepreneurship as a career.

Incidence of Vocational Training among respondents	Frequency	Percentage
Received either formal or informal Vocational Training.	60	37.5%
Never received any Vocational Training	71	44.4%
Not aware of concept of Vocational Training	29	18.1%

Table- 4

Table- 5 represents the incidence of the Vocational Training received by the respondents. A majority of 71 respondents never received any kind of either formal or informal vocational training. 60 out of 160 respondents or 37.5% respondents has received some kind of vocational training whether formal or informal. 29 respondents comprising 18.1% of the total, were not aware of the concept of the vocational training. The data clearly shows that among the sample, vocational training is either an unknown factor or the students are not trained in vocational training.

Sr. No.	Statements	Ranks					Total no. of Respondents
		1 SD	2 D	3 N	4 A	5 SA	
1.	An entrepreneurial career based on the Vocational skills developed is more lucrative than the Conventional Blue/White collared jobs?	2	11	41	84	22	160
2.	I recognize the difference between Blue collared jobs and white collared jobs.	6	16	27	81	30	160
3.	Before starting a self-owned Enterprise, an entrepreneur must get a vocational training on the skill directly related to the business.	3	8	30	86	33	160

Table-5

Table- 6 represents the statements that represents, the statements related to the attitude of the students towards the skill development and vocational training affecting the entrepreneurship choice of the students. The variables assess the relation between vocational skills acquired and the choice of entrepreneurship. Relationship between jobs and vocational training as perceived by the respondents is also studied in the table.

In the above table, SD defines Strongly Disagree, D stands for Disagree, N represents Neutral, A Supports Agree and SA signifies Strongly Agree.

Sr. No.	Statements	Frequency	Percentage
1.	An entrepreneurial career based on the Vocational skills developed is more lucrative than the Conventional Blue/White collared jobs?	106	66.25%
2.	I recognize the difference between Blue collared jobs and white collared jobs.	111	69.37%
3.	Before starting a self-owned Enterprise, an entrepreneur must get a vocational training on the skill directly related to the business.	113	70.62%

Table-6

According to the data taken on Likert scale, the frequency supporting agreement is calculated. 106 respondents, equal to 66.25% agreed that entrepreneurship based on vocational skills is more lucrative than Conventional Blue and White collared jobs. 69.37% respondents were able to differentiate between Blue collared and White collared jobs. A majority of 70.62% of 113 respondents out of 160 supported the opinion that an entrepreneur must get a vocational training for the skill directly related to the business before starting the enterprise.

Findings and Discussions

☞ **Demographics-** Majority of 67.5 respondents were male. 93.1% of the sample size belonged to

age group of 18 to 25 years of age. Respondents were somewhat equally distributed, having highest qualification among below graduate, graduate, post-graduate or any other. Similar distribution was observed for employment background of the family, with 26.9% self-employed, 25% government employees, 28.1% private employees and 20% other employed in activities like farming.

☞ **Government Initiatives for Incubation-** The most popular measure that can help achieve more effective incubation and administration according to the majority of the respondents was more emphasis on Vocational Education and Skill Development, followed by requirement of Capital Assistance by government sources.

Capital assistance by private sector is not favored by many following quite the general mindset in India.

☞ **Awareness about entrepreneurship opportunities-** A majority of 66% respondents were aware of the government initiatives for the development of the Entrepreneurship in India and the respondents were also affirmative about significance of the initiatives run by GOI and their ability to develop entrepreneurship and affective incubation of new startups in India.

☞ An average level of awareness and information was observed, numerically lying between 50% to 55% among the respondents about individual schemes like SAMRIDH, PM Mudra Yojana, ATAL Innovation Mission etc.

☞ **Vocational Education-** The questions related to vocational education gave somewhat scattered results, with 18.1% not even aware of the concept itself, only 37.5% of the respondents actually had received any kind of vocational education or skill development training.

While a whopping majority of 70.62% respondents were affirmative on the need of attaining any kind of vocational or skill enhancement training that is directly linked with the business of the enterprise. 66.25% believed that a career based on the vocational skills is more lucrative than conventional blue and white collared jobs.

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