



## ENTREPRENEURIAL ATTITUDE: A CASE STUDY ON BUSINESS SCHOOL STUDENTS IN PANIPAT DISTRICT

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### ABSTRACT

Entrepreneurship plays an important role in the economic growth of all developing countries especially India. It contributes in the attainment of the objectives of industrial development, increase in national and per capita income and employment generation. Young generation of India has so many potential entrepreneurs. All of the young people may not be able to get jobs after completion of their study but they may be the future job providers instead of job seekers. This can be possible only if they are enriched with entrepreneurial skills. Business schools must come forward to develop entrepreneurial attitude among students through the education, encouraging creativity and innovation. Of course there are many other factors that determine entrepreneurial attitude. Our study aims at identifying and understanding those factors. This study is based on primary data which has been collected through questionnaires and personal interviews.



**KEYWORDS :** *Entrepreneurship, Potential Innovation, Entrepreneurial Attitude, Business Schools.*

### INTRODUCTION :

The concept of entrepreneurship has evolved over two centuries. It is the creation of something from nothing. Entrepreneurship is an ability to take calculated risk in order to reduce the chance of failure. It is the process of minimizing the risk by organizing and coordinating the resources towards building something new. In other words, it is the identification, initiation and exploitation of available economic opportunity in the environment.

John Kao has explained the following 4 components of entrepreneurship:

The Person—It includes personality, experience, skills, motives and psychological preferences

The task—It includes perceiving opportunity, organizing resources and providing leadership

The Environment –It includes infrastructure, capability of resources, social values, rules and regulations, competitive pressures and technology

The Organization –It includes organizational structure, rules and policies, culture, human resource and communication systems.

## CONCEPTUAL FRAMEWORK

The main dimensions of Entrepreneurship are:

1. Innovation –The other name of entrepreneur is innovator His role is doing things not in a traditional way  
But in a new and better way. Innovation may include launching a new product, developing an alternative method of production or exploring a new market not yet exploited. Thus all the decisions taken by entrepreneur in the environment of uncertainty with unknown and unpredictable results.
2. Motive of achievement – An entrepreneur do things in a new and refined way. Entrepreneurship is always motivated by some achievement and excelling over challenging situations. It provides the platform to face the difficult situations and to accomplish something unique independently.
3. Organizational Building: Organizational Building is an important skill for industrial development. Entrepreneurship is rich in managerial skills, creativity and consequently good leadership and excellent administration.
4. Group Level pattern: Entrepreneurial qualities are not found in particular individual rather they are found in clusters or known as entrepreneurial group therefore entrepreneurship emerges due to family background or experience of a group.
5. Managerial Skill and leadership: An entrepreneur is not greedy of earning huge profit and accumulator of mass wealth but also possess the ability to lead and manage. He has also the capabilities of performing market oriented, authority oriented and production-oriented tasks.
6. Gap Filling: Entrepreneurs are sharp enough to fill the gap found in the market with their products and services not previously in existence. Entrepreneurship is a type of field which has some basic principles governing success that is find a problem and be the solution.
7. Status Withdrawal: Entrepreneurship is an effort to change the present state of status of people as their purposes and values are not honored by those people to whom they respect or value so entrepreneurship emerges as an innovative response to get back the lost status.
8. Structural Transformation: This includes the following 4 factors:
  1. Behavioral Uniqueness: An entrepreneur is considered to be the owner of unique behavioral pattern.
  2. Demand Motivators: This structure is based on the assumption that entrepreneurial behavior can be developed by material rewards and manipulating some other components of demand structure.
  3. Effective Organizational planning and execution system: It is related with the availability of capital, technological skills and knowledge, efficient management and complete awareness about capital and labor markets.
  4. Competent Labor Force: It is concerned with the supply of labor having willingness and competency to work which depends upon expectation of life, means of livelihood and traditionalism.

## OBJECTIVES:

The specific objectives of the study are —

1. To know the level of entrepreneurial attitude among the students of business schools
2. To recognize the determinants of entrepreneurial attitude.
3. To suggest the measures to develop such attitude among the students.

## REVIEW OF THE LITRATURE:

Entrepreneurship plays an important role in economic development of both developed and developing countries. Entrepreneurs accelerate the growth of industrialization. The word 'Entrepreneurship' has been taken from a French word which means 'to undertake'. It is called by

other names like adventurism, risk taking, innovating and thrill seeking. John Kao and Howard Stevenson (1984) defined Entrepreneurship at a conference in United States as “Entrepreneurship is the attempt to create value through recognition of business opportunity, the management of risk taking appropriate to the opportunity and through communicative and management skills to mobilize human, financial and material resources necessary to bring a project to fruition”. This definition states that entrepreneurship is the blend of capital technology and human talent. It is a dynamic and risky process. Many studies have been conducted about the motivation of individuals to start the new business and the impact of support system on entrepreneurial propensity of individuals. Shukla and Awasti (2003) in their study on “Entry Barriers to Entrepreneurship” presented a framework of strategies that can be adopted to overcome the barriers in a small enterprise sector. The study reveals that major barriers are due to negative attitude in a business, ignorance about the information relating to launching and managing a business and disapproval of family friends and relatives. Colin Dunn (2004) in his study titled “Background of Nascent Entrepreneurs” discusses a range of sociological and motivational factors that influence an individual’s decision to promote a new business venture. This study is based on the research data provided by the students pursuing entrepreneurship degree program compared to the responses of a control group of non - entrepreneurial students. Three characteristics have been focused in this study viz. need for achievement, risk taking propensity and locus of control. Bhagwan Prasad (2003) in his study “Developing entrepreneurial skills among management and engineering graduates” explores the process of developing entrepreneurial skills among business and management students. He focused on introduction of entrepreneurship process in the management and technical education.

### STATEMENT OF THE PROBLEM

Variable degrees of entrepreneurial attitude is always present among all human beings. People become entrepreneurs not to earn money only which no doubt is an important need to survive but also because of entrepreneurial capacity is supreme in their character. Entrepreneurial attitude is not equal among all human beings. It varies from person to person. Such an attitude in human beings is inborn to a great extent. But it can also be inculcated in young minds through education. Educational curriculums are frame to induce and instill entrepreneurial attitude among students. The process of entrepreneurship is introduced in management and technical education. Well-structured Entrepreneurship Development Cell is set up to enable management and technical graduates to become the job providers in the respective institutions. Similarly linkage has been established between the management schools at all India level and State Entrepreneurship Development Institutes to orient the faculty and the students of management schools to imbibe entrepreneurial culture. The role of STEPS (Science and Technology Entrepreneurial Parks), ED cells (Entrepreneurial Development Cells) and EMDCS (Entrepreneurship Management and Development Centres) has been enhanced for transforming the students of business/management graduates into entrepreneurs. In spite of various programs launched by both public and private institutions to cultivate the entrepreneurial attitude, there has been a little improvement in entrepreneurial awareness of business graduates. During the past decade, many business schools have been claiming that their courses are so designed to enhance the required skills of students and entrepreneurial culture is existing in their institutes but this is not the case in reality.

#### **The following issues arise due to this situation:**

1. Has entrepreneurial attitude been affected by the business education?
2. How many students are desirous to become entrepreneurs?
3. What are the other factors that influence their entrepreneurial attitude?

**HYPOTHESIS:**

- Ho = Entrepreneurial Attitude is independent of 12 factors under study
- H1 = Entrepreneurial Attitude is dependent on various factors under study.

**RESEARCH METHODOLOGY**

Our study uses only primary data which has been collected by taking the random sample of 200 students from 4 different business schools. 50 students were chosen from each school. The interview schedule was prepared and was modified and improved after pilot survey. Proper rapport was established with the heads of selected institutions and departments for contracting students. Interview with each student was conducted personally to answer the questions and to ensure the authenticity of data given by students. Cross questioning was done. To measure the levels of entrepreneurial attitude of various students, received data was processed and analyzed. Likert’s five-point scale was used to check the level of entrepreneurial attitude of selected students in numerical terms. 12 variables related to entrepreneurial attitude were used. The respondents answered the state of their agreement or otherwise for each variable. The agreement level ranged from “Strongly Agree” to “Strongly Disagree” and the Scores allotted were:

- 5 for Strongly Agree
- 4 for Agree
- 3 for Neutral
- 2 for Disagree
- 1 for Strongly Disagree.

For further analysis, all the collected data was converted into suitable tables. Wherever necessary, simple averages and standard deviations were calculated and statistical technique i.e., Chi- Square test was adopted to analyze and conclude the data. Chi- Square Test is used to with specified degrees of freedom to determine the influence of dependent variables on independent variables.

$$\chi^2 = \sum (O - E)^2 / E$$

Where,

- O: Observed frequency
- E: expected frequency
- $\sum$ : summation
- $\chi^2$ : Chi Square Value

**FINDINGS OF THE STUDY:**

(Factors influencing Entrepreneurial Attitude) ---- (Table-1)

12 variables are taken into consideration for checking their impact on Entrepreneurial Attitude. Following are the main findings:

S No.	Factors	Df	Table Value	$\chi^2$ value	Result
1	Gender	2	5.99	1.44	NS
2	Family Size	4	9.49	8.89	NS
3	Technical and Professional education Background	4	9.49	16.93	S
4	Occupational Experience	4	9.49	10.79	S
5	Assistance from govt/financial institutions	4	9.49	12.28	S
6	Business Interest	2	5.99	10.76	S
7	Entrepreneurial Awareness	4	9.49	20.49	S
8	Career Plan	4	9.49	21.37	S
9	Infrastructure Facility	4	9.49	11.53	S
10	Desire to work	2	5.99	2.72	NS
11	Heavy Demand and High profit margins	4	9.49	20.37	S
12	Place of Living	2	5.99	10.45	S

NS = Not Significant  
 S = Significant

Out of the twelve, 9 variables, Technical and Professional Qualification, Occupational Experience, Assistance from government and financial institutions, Business Interest, Entrepreneurial awareness, Career Plan, Infrastructural Facility, Attraction of Heavy Demand and Profit margin and place of living are the dominating influencers of entrepreneurial attitude. Gender of the students, family size and Desire to Work independently do not influence this attitude. These findings reveal that entrepreneurial attitude of business students is not merely influenced by Education only but by a number of factors also.

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