



## A STUDY ON FACTORS INFLUENCING ENTREPRENEURIAL INTENTIONS OF POST GRADUATE STUDENTS TOWARDS ENTREPRENEURSHIP

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### ABSTRACT

**Concept of entrepreneurship:** Entrepreneur is a person who creates an enterprise. The process of creation is called as entrepreneurship. It can be defined as a process of action an entrepreneur undertakes to establish his enterprise. According to Mccelland, entrepreneurship is doing things in a new and better way and decision making under condition of uncertainty .According to Peter Drucker, entrepreneurship is neither a science nor an Art. It has a knowledge base. Knowledge in entrepreneurship is a means to an end.

**KEY WORDS:** Entrepreneurship, intensions, Post graduate students.

### INTRODUCTION:

The shortage of jobs in each and every sector, competition, technological advancements is the problems faced by the youngsters in this era. This has given a great importance to Entrepreneurship and one of the good career options to this generation. This became one of the important contributors in the country's economy.

(March 3, 2016Mr.Rajiv Kumar, Founder & CEO, storehippo.com) Now a days we can notice many youngsters are coming with innovative online stores. They start from a small office. This self motivated generation is changing the scenario of challenging entrepreneurship in the past decades. Every success story is coming with a new case study and a business model for post graduate students to make their intention clear about entrepreneurship. Off late, entrepreneurship has become one of the most popular subjects being pursued by management students.

Entrepreneurship is becoming the most popular career choice. The term entrepreneurship can be defined by the willingness to take a risk, plan, streamline the tasks, and organize the venture in this global competitive market. Entrepreneurs are the dreamers who are having desire to innovate and lead.

In past generations Indians only thought of following a good career path. Likewise their children used to opt the career chosen by their parents.

However the opening up of the world economy during 1990's technological advancement has left impact on the way of doing a business of the country. This scenario has opened up the new horizons for the passionate new generation who wants to start their own businesses. There are some thoughts which pushed youngsters and students pursuing management studies to become an entrepreneur like:

One wants to be their own boss, the motivation to take risk in changed global market where lots of opportunities are available. Students possess an ambition from entrepreneurial development programs to start right from the scratch.

### Need of Entrepreneurs for India



Every new business comes along with employment that will defiantly help our country to grow the economy in a greater way.

According to survey done by Mckinsey NASCOM report, India required at least 8000 new businesses till 2008 to hit the target of \$87 billion IT sector employment, similarly by 2015, 110-113 million Indians will be searching for their first jobs.

Since the economist may find it difficult to sustain this level of employment in future, it's only the entrepreneurs who will create job opportunities.

### ENTREPRENEURIAL INTENTIONS AMONGST STUDENTS

([WWW.indiacelebrating.com](http://WWW.indiacelebrating.com))

Start up campaign promoted by government has come up on 16<sup>th</sup> Jan, 2016. It came along with lots of motivation for Indian youths. According to this 1.25 lac bank branches will provide loans for new businesses.

### LITERATURE REVIEW

EthenDuyglues(2008) in his study he included 170 MBA students. This research tried to find out whether entrepreneurs are possessing psychological characteristics than non entrepreneurs. Psychological characteristics can be like personality traits and proactive behavior.

Entrepreneurship model given by Kostova (1997) says that among the other thing some different characteristics make entrepreneurs different from non entrepreneurs.

Malin, B. Morris, K. Alan C, Jennie E (2007), in a study of 421 students, facing career decision respondent asked the to indicate on a scale from 0-100 how likely it was for them to start a firm within the next 5 years, how attraction starting a firm for the average person was, how attractive it was for them, how feasible for the average people was to start a fun and how feasible it was for them. Additional an 18 item measure on intentions using likes scale was used. It was found that social norms and self efficacy had a direct relationship on desirability and feasibility respectively. It was also found that desirability and feasibility were associated with entrepreneurial intention. Those with strong intentions had a strong desirability towards new ventures.

Hytti et al (2005) in their study of Turku University students in Finland tried to investigate how people with an academic degree perceive entrepreneurship as a personal career alternative. It was found that in case of Engineering discipline people with lower engineering degree are more inclined to pursue entrepreneurship where as those with higher engineering degree the option is less frequent within the business and social studies the trend seems to be opposite ; the more educated person act as entrepreneurs more frequently than the person with a lower degree. It was found that men are about 2.5 times likely to perceive entrepreneurship as personally desirable as well as feasible and similarly 2.5 times more likely to

start a firm in next 5 years. The age of the respondents also explains the perceptions regarding entrepreneurship. The likelihood for finding entrepreneurship personally desirable increases for the young people (under 30) and prime age people (31 years) compared to middle aged and older people (above 45 years). It was also found that students with an engineering background are less likely to set up a firm compared to management or natural science background.

Evan, d (2005), investigated the role of entrepreneurial attitudes and entrepreneurial self-efficacy on an individual's intention to engage in entrepreneurial behavior. Their sample consisted of 414 students surveyed at the beginning of their first entrepreneurship class in Post graduate programs in Australia (46), China (39), India (204) and Thailand (125) between 2003 and 2004. They measured the entrepreneurial intentions of the students using a 7 point scale ranging from very unlikely (1) to very likely (7) over eight items measuring intentions to engage in a range of entrepreneurial behavior. Their result found that individuals who prefer more income, more independence and more ownership have high entrepreneurial intentions. The study found no relationship between risk propensity and entrepreneurial intention significant positive relationships were also found between entrepreneurial self efficacy and entrepreneurial intention.

Erich, J (2003), in his study examined key factors influencing student's intent to create a new venture. He investigated the affect of individual's attitude in general and towards self-employment on their choice of entrepreneurial career. The sample for his study consisted of 1326 students from of universities in Austria. The attitude towards entrepreneurship was the most relevant predictor of entrepreneurial intent among students. Similarly the attitude towards autonomy had a strong and highly significant impact on student's interest to becoming an entrepreneur. Attitude towards money have a strong positive

## PROBLEM STATEMENT

There is tremendous growth of management educations in India and also in Maharashtra state in particular. The policy of the government to private management institutes led to the explosion of management institutes all over the state. There 135 management institutes affiliated to the University of Pune alone. Large number of management graduates passing out every year, they are concern about the placement in good corporate world. Apart from some top institutions students of many management institutes find it difficult to get placed in good organizations. However lots of business opportunities are available in the market. Management students with their training and skills are better suited to exploit their opportunities by setting up new business ventures. On this ground researcher identified a research gap regarding finding the attitude of the management students towards entrepreneurship and entrepreneurial careers. The dismal proportion of post graduates setting up their business ventures in spite of having equipped with all the necessary training and skills let the researcher to find out:

Why are management graduates not interested in setting up their business ventures? What are the factors that keep them away from venturing into business? Are they interested in business, what is their attitude towards entrepreneurship and entrepreneurial careers, can entrepreneurship be considered as a career option in today's global scenario? These and many other questions led the researcher to carry out this research work.

## OBJECTIVE OF THE STUDY

To understand factors influencing entrepreneurial intentions of Post graduate students towards entrepreneurship

## HYPOTHESIS OF THE STUDY

**Null Hypothesis:** There is no significant impact of factors influencing on entrepreneurial intensions.

**RESEARCH METHODOLOGY**

**Primary data:** Primary data means original data that has been collected specially for the purpose in mind. It means someone collected the data from the original source first hand. Data collected this way is called primary data. Structured questionnaire is used for this research.

**Secondary data:** It refers to data that was collected by someone other than the user. Common sources of secondary data for social science include censuses, information collected by government departments, organizational records and data that was originally collected for other research purposes. For this research many research articles and blogs have been referred to understand the factors influencing entrepreneurial intentions.

**Sample Technique:** Simple Random Sampling technique is used by the researcher

**Sample Design:** Descriptive Research design is used in this study

**Research Area:** Pune city

**Sample Unit:** All Post Graduate students

**Sample size:** 102 Post graduate students

**Data Analysis**

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.850	.837	17

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
How interested are you in setting your own business immediately after your Post graduation?	23.920	101	.000	2.99020	2.7422	3.2382
Q 2) How easy would it be for people in general to start a business?	22.985	101	.000	2.00000	1.8274	2.1726
Q 3) You require lots of money to start a business	36.630	101	.000	3.63725	3.4403	3.8342
Q 4) Family support is necessary to start any new business?	26.136	101	.000	3.60784	3.3340	3.8817
Q5) Entrepreneurial attitude can be developed by awareness programs?	27.942	101	.000	3.29412	3.0603	3.5280

Lack of finance is one of the main reasons why many students don't start a business	36.059	101	.000	3.97059	3.7522	4.1890
Q 7) Do you agree that innovative ideas are needed in entrepreneurship?	46.142	101	.000	4.43137	4.2409	4.6219
Q 8) I would rather be my own boss rather than work for someone else	30.118	101	.000	3.45098	3.2237	3.6783
Q 9) When I am in a group, I like to take the lead	30.922	101	.000	3.71569	3.4773	3.9541
Q10) Money is what motivates students towards entrepreneurship	25.128	101	.000	3.11765	2.8715	3.3638
Q11) Entrepreneurship is for the less educated people	15.291	101	.000	1.59804	1.3907	1.8054
Q12) Venturing into entrepreneurship is a risky business	38.023	101	.000	3.46078	3.2802	3.6413
Q 13) Entrepreneurship can be considered as a career option in today's globalized world	28.812	101	.000	2.28431	2.1270	2.4416
Q 14) I run my own business to increase my family's status and prestige	39.347	101	.000	4.00980	3.8076	4.2120
Q 15) I run my own business to have more flexibility in my personal and family life	30.821	101	.000	3.57843	3.3481	3.8088
Q 16) I would like to make a significant contribution to the community by developing a successful business	36.001	101	.000	3.90196	3.6870	4.1170

Q	17)	62.849	101	.000	4.39216	4.2535	4.5308
Entrepreneurship is an honorable profession							

**ANOVA**

**F Test**

	Sum of Squares	df	Mean Square	F	Sig
Between People	306.420	101	3.034		
Within People					
Between Items	1013.666	16	63.354	59.663	.000
Residual	1715.982	1616	1.062		
Total	2729.647	1632	1.673		
Total	3036.067	1733	1.752		

**Grand Mean = 3.3789**

**Conclusion**

Based on the above SPSS analysis there is significant impact of factors influencing on entrepreneurial intentions. Hence government should develop more agencies to increase awareness and to grant funds for start ups without major guarantee and guarantors. So the entrepreneurial intentions will be contribution in country’s economic development.

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