

*Short Communication*

# Entrepreneurship orientation among Indian professional students

Rajesh Kumar Shastri<sup>1\*</sup>, Surendra Kumar<sup>2</sup> and Murad Ali<sup>3</sup>

<sup>1</sup>Department of Humanities and Social Sciences, Motilal Nehru National Institute of Technology, Allahabad-India.

<sup>2</sup>V. B. S. Purvanchal University, Jaunpur-India.

<sup>3</sup>V. B. S. Purvanchal University, Jaunpur-India.

Accepted 22 June, 2009

**Entrepreneurship is a life moving force behind any economy. It is an accepted belief without entrepreneurial activities the process of industrialization and development is not possible. It includes the promotion for capital formation, creation of immediate large scale employment, promotion of balanced regional development, effective mobilization of capital and skill. Professional students getting education in management and engineering field should take the initiative to start the new venture. In this paper it is tried by the researcher to find out the awareness about entrepreneurship among professional students.**

**Key words:** Students, entrepreneurship, profession, venture.

## INTRODUCTION

“If you are giving a fish to man he will eat for a day but if you are teaching a man how to fish he will eat for ever”

Entrepreneur is presently at the crest of popularity. Increasing number of educated youth is getting attracted towards entrepreneurship and taking initiative to start new ventures. The various schools of management have realized the reality and have focused their attention on the art of creating new ventures as entrepreneur. The liberalization of economy, consequential increase in market and the role of managers have caught up the attention of the youths. Entrepreneurial education helps the young entrants to develop their traits and attitudes, makes them responsible for preparing business plans, seeks financial help from different financial institutions and enables them to run business on profitable lines.

Every successful entrepreneur brings about benefits not only for himself/ herself but for the community, region or country as a whole. The benefits that can be derived from entrepreneurial activities are as follows:

- Enormous personal financial gain.
- Self-employment, offering more job satisfaction and flexibility of the work force.
- Employment for others, often in better jobs.
- Development of more industries, especially in rural areas or regions disadvantaged by economic changes, for example due to globalization effects.
- Encouragement of the processing of local materials into finished goods for domestic consumption as well as for export.
- Income generation and increased economic growth.
- Healthy competition thus encourages higher quality products.
- More goods and services available.
- Development of new markets.
- Promotion of the use of modern technology in small-scale manufacturing to enhance higher productivity.
- Encouragement of more researches/ studies and development of modern machines and equipment for domestic consumption.
- Development of entrepreneurial qualities and attitudes among potential entrepreneurs to bring about significant changes in the rural areas.
- Freedom from the dependency on the jobs offered by others.
- The ability to have great accomplishments.

\*Corresponding author. E-mail: [rajeshkumarshastri@gmail.com](mailto:rajeshkumarshastri@gmail.com).

- Reduction of the informal economy.
- Emigration of talent may be stopped by a better domestic entrepreneurship climate.
- Serious tax advantages.

According to Peter Drucker

“Entrepreneur is one who always searches for change, responds to it and exploits it as an opportunity. He believes in increasing the value and consumer satisfaction. Thus, a professional manager who mobilizes resources and allocates them to make a commercial gain from an opportunity is also an entrepreneur.”

A.H. Cole has defined

“Entrepreneurship is in the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or organize a profit-oriented business unit for the production or distribution of economic goods and services.”

Thus, an entrepreneur has become the focal point in economic activities. He is viewed as initiator of action, a stimulant of socio-economic change and development. An entrepreneur is the person who bears risk, unites various factors of production and carries out innovations. An entrepreneur can therefore, be defined as an individual or a group of individuals who tries to create something new, who organizes production and undertakes risk involved in the establishment and operation of a business enterprise. The term entrepreneur is confined to those who start a new business and extends to those who seek out new opportunities and then combine the factors of production to exploit the perceived opportunities.

The following are the specific functions of an entrepreneur:

- Risk bearing capacity
- Decision-making
- Managerial functions
- Functions of innovation
- Capital formation
- Addition in Per capita income
- Creation of Employment
- Balances regional development
- Improvement in living standards

### **Relevance of study to business environment**

Employers and higher education administrators have experienced that the majority of students who want to enter into the entrepreneurial activities do not possess the necessary skills for effective and rewarding

participation in the entrepreneurship. Beside of this there is several numbers of students who have no any idea about a self reliance project. As a result, many unskilled individuals are quickly losing their jobs and joining the ranks of the unemployed. Indeed, the lack of adequate preparation for high performance jobs results in significant transition problems for graduates.

This study is focused on professional students pursuing their degree from different educational institutions. Here in this study it is trying to find out the awareness of entrepreneurship among profession students. The present day business is associated with vast and charming profession. Every one wants to make his career as a businessman but very few of them get success. Following are the main objectives of the study.

- To find out entrepreneurial orientation professional students.
- To find out intention of being entrepreneur among professional student.
- To sort out various problems and their awareness amongst student.
- To suggest suitable measures to increase entrepreneurial activity amongst professional student.

### **Methodology**

Data collected for this research has been designed in such a way by which information could gather from both undergraduate and post-graduate students. The sample size is more than 500 male and female graduate and post-graduate professional students. Random sampling method was used for data collection. Researcher directly contacted with the entire respondent for collection of data. Whole the study is based on primary data. The questionnaire consist 20 questions related to various aspects of entrepreneurship.

### **Findings**

As for as personal information there are the different age group which are 10 - 20, 21 - 30, 31 - 40, 28.35% Student belong to 10 - 20 age group 70.14% belongs to the 21 - 30 years age group and 1.49% student belongs to 31 - 40 years age group. 77.61% students were male and 22.39% students were female. The students belongs to the different academic background to which were under graduate and post graduate 56.72% respondent were post graduate were as 43.28% student belongs to under graduate level. In the response of entrepreneurship orientation among professional students 77.61% want to be entrepreneur were as 22.38% student do not want to be entrepreneur the maximum number who respond in negation were females. In response to why you want to be entrepreneur the maximum number of student wants to be entrepreneur for the earning

more money, recognition comes at the second point. In response to management of capital management, most of the respondent want to manage to capital from the loan from the bank after that they want to manage to capital from themselves, family and friends comes at the last in case of management of capital for the starting new venture. Most of the student wants to start their ventures in IT and services. Real state, FMCG and other options comes at the last.

In response to awareness about problems faced by new entrepreneur most of the students were aware only some what extent where as 26.92% student were aware about the problems faced by new entrepreneur, 23.08% student were very much aware about the problems faced by new entrepreneur. 9.62% students were not aware at all about the problems faced by the new entrepreneurs. To what extend technology affect the entrepreneurs, 54.90% student responded that technology most important factor for entrepreneurs. Most of students became agreed that government policies most important factor for entrepreneurs which can motivate the new entrepreneurs. Educational background and support services are the most influencing factors to start new ventures, whereas family backgrounds and experience are the secondary factors for starting new venture. In response to why people hesitate to start a new business students responded as fear factors is the highest factor which count 69.23% in response to the above question, where as self ability comes at the second level, whereas the government policies and cultural backgrounds comes at the 3<sup>rd</sup> and 4<sup>th</sup> place respectively. Whether EDP (entrepreneurial development programs) is helpful for new entrepreneur or not, 70% agree to sum extent whereas 30% highly agree with the statement that EDP is helpful for the new entrepreneur. In response to awareness about the competition in the market 42.30% students were very much aware about the competition, whereas 46.15% were aware, 5.77% were aware about some what extent only and 5.77% student were not aware about the competition in the market. In response to the factors causes failures to the small business. 28.85% Student respondent feels the competition with big companies is the Major factor where as 26.92% feels it is the management capabilities which cause the failure of small enterprises under capitalization and lack of prior experience counts 23.07% and 21.15% respectively for the failure of small businesses. How enterprise is setup, 32.69% students were aware about the rules and regulation, 31.76% some what extent aware 21.15% not aware about the rules and regulation whereas only 15.38% very much aware about the rules and regulation for setting an enterprise.

Following are the key findings of research.

- The entrepreneurial orientation among male professional student is higher than females.
- Most of the student believes that entrepreneurs are made.
- Motives behind becoming entrepreneur are to earn more money.
- IT and servicing industry on the priority among the potential entrepreneurs.
- Government policy and business environment are almost equally important for motivating young student to be an entrepreneur.
- Socio-cultural factors affect the decision making of young entrepreneurs.

### Limitations

Although precautions have been taken in designing questionnaire and data collection, yet following limitations may be affect the actual finding.

- Most of the student of B. Tech where not aware about entrepreneurship.
- Most of the students want to be an entrepreneur but after working in corporate sector 4 to 5 years.
- Since study conducted with students only in limited institutions, the result may vary if survey area were larger.

### Conclusion

On the basis of the result and analysis of data it is clear that most of the student want to be an entrepreneur but after taking the few year experience in the corporate sector, because by this way they want to know and face the real challenges of entrepreneurs. This is one positive sign for the country like India where economic activities are in growth phase. Thus, an entrepreneur has become the focal point in economic activities. They may view as initiator of action, an agent of socio-economic change and development.

### REFERENCES

- Drucker, Peter (1985). "Innovation and Entrepreneurship: Practice and Principles".
- Cole, AH (1942, Dec). Entrepreneurship as an area of research, the task of the economic history.
- Cole, AH (1959). Usiness enterprises in its Social Setting, Cambridge Harvard University Press.