

STUDENT NON-PREFERENCE TOWARDS ENTREPRENEURSHIP AS A CAREER

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ABSTRACT

Traditionally, Indian culture has been interested only to follow high profile Salaried jobs. Entrepreneurship is the has not been allowed to be promoted among many Indian families as a career option. According to different reports, India's entrepreneurial presence has increases from five percentage to more than fourteen percentage since 2021 and growing. This research tries to investigate the factors that lead not preferring Entrepreneurship as a career choice among undergraduate students who form the major chunk of the youth of the nation. Exploratory factor analysis was done to identify the factors.

Keyword : *Entrepreneurship, Exploratory Factor Analysis, Student Non preference, Factors, Career*

1. INTRODUCTION

The symbol of business power and progress is entrepreneurship. It adds to the economy's growth and is crucial to the development process. It generates jobs, which in turn produces more opportunities. Entrepreneurs are the driving force behind today's corporate success. Entrepreneurship is more than just a link to development. Entrepreneurship is a critical component of product and service improvement and innovation. The goal of this study is to determine how students feel about entrepreneurship. The desire among young people to become entrepreneurs is rapidly growing. It is due to a lack of job possibilities and their unwillingness to work for others. Entrepreneurship shapes pupils into more capable individuals capable of facing the realities of the outside world by fostering innovation and creativity. The rise of new companies is not only required for generating employment but also for bring about innovation and economic boost to different sectors (Crijns and Vermeulen, 2007),

In this research, we examine how and to what extent college and institution initiatives serve to build and promote students' entrepreneurship skills, as well as their attitudes about entrepreneurship. The ultimate goal of this research is to learn more about the students' experiences with entrepreneurship and their attitudes toward it. In entrepreneurship education, college students pay more attention to the portion on practise, and overall satisfaction is favourably connected with student evaluations of entrepreneurship courses. Entrepreneurial development is critical to achieving regional growth, industrial development, and job creation goals. Despite many support programs put forth by Indian government recently, India has failed to generate more entrepreneurial intention (Bosma et al., 2020; Anwar et al., 2020a). The research aims to investigate the factors that lead to this alienation of entrepreneurship as an option among the Indian students despite best efforts of the authorities since the past few years.

1.2 Statement of the problem

Students in their final years of school feel compelled to make a decision on their future careers. People who want to start a business are unable to do so for a variety of reasons, including a lack of family support, a lack of finance, and so on. Most parents nowadays want their children to work for the government or for reputable multinational corporations. Because of their attitudes, most educated youth are forced to work

and pursue entrepreneurship as a career alternative. The purpose of this survey was to determine the attitude of undergraduate students about entrepreneurship. Are they passionate about business, what is their opinion of entrepreneurship and entrepreneurial jobs, and can entrepreneurship be regarded a viable career option in today's global environment? These are several other questions that lead to the completion of this project.

1.3 Scope of the study

The study has been carried out to find out the attitude of commerce students towards entrepreneurship and entrepreneurial careers. The study deals with only undergraduate students in Kerala.

1.4 Significance of the study

People are being encouraged or driven to start their own businesses in today's competitive environment. Because they have skills yet are unable to find work. They will not be able to create wealth or find personal fulfilment in this manner. People want to go into a prosperous company endeavour as well.

Many chances exist in society that are not being taken advantage of by rivals. Those who are willing to take a chance get rewarded more. By entrepreneurship, one can earn more money by offering more original ideas and creating their own brand. So that they can establish a sense of worth in society.

1.6 Objective of the study

To determine the factors that can influence undergraduate students for not selecting entrepreneurship as a future career.

2. LITERATURE REVIEW

“Entrepreneurship refers to a person usually someone who wants to implement that idea with the idea of disrupting the market with a new product or service “, (Tripathi et al, 2022). We have many examples of such businessmen like Bill Gates, Steve Jobs etc. It has been mentioned in literature that, entrepreneurs view entrepreneurial intention as a mandatory trait to starting a new business. Entrepreneurial intention is” an individual’s conviction to make preparations for a new business and actually follow through on this goal (Krueger et al., 2000)”, according to previous research. Indians’ preference towards salaried service as their primary career option over entrepreneurship has been as long as history. Even with adequate support , entrepreneurship training and education programs initiated by the government of India , youth do not choose entrepreneurship as a career (Anwar and Saleem, 2019b). Studies have shown that motivation for entrepreneurship can be formed through students own experience and knowledge passed to them from family members while the basics of entrepreneurship are obtained from education (Mustafa , 2019). Supportive environment in Campus is also part of this motivation towards entrepreneurship among students. Results of previous studies show that students have positive attitude towards entrepreneurship and are aware of the need to gain knowledge through curriculum about entrepreneurs (Rudhumbu et al, 2016).

According to some reports, entrepreneurship has become a popular career choice for many students owing the benefits of this path (Costa and Mares, 2016). Some studies have shown that University students have shown interest in starting new ventures. Those who come from Business families, have thoughts of new ventures to look into (Karim and Reddy, 2014).

Related research have shown evidence that students do have favorable perspective towards entrepreneurial education and are positive towards entrepreneurial intentions (Pulka et al, 2014). Literature has been highlighting the need for connecting entrepreneurial competencies that boost students' entrepreneurial inclinations (Bagheri et al, 2014).

Related research have highlighted on Social entrepreneurs playing an important role in the economic and social developments of the communities in which they operate (Mair & Noboa, [2006](#)).

By looking into the relevance of social entrepreneurs in Indian society, many colleges have started incubation cells to encourage more students to engage in *social entrepreneurial behaviour* (Hockerts, [2015](#); Miller, Grimes, McMullen, & Vogus, [2012](#); Smith, Kickul, & Coley, [2010](#)).

There is a need for an unconventional approach to determine and evaluate the impact of various motivational factors related to the entrepreneurial ecosystem that could shape the students.

In the present study, an effort has been made to study those factors that affect entrepreneurial development and also for creating a platform for further research.

3. RESEARCH METHODOLOGY

The type of research was descriptive and based on a survey conducted using a structured questionnaire. The aim of this research is to better understand the attitude of undergraduate students in Kerala towards entrepreneurship. The respondents were from different parts of Kerala. Likert Scale was used for questionnaire framing. The data collected included the demographics of the respondents. The suitable sample size range for a good research must be 30 to 500 (Roscoe, 1975).

Sampling method: The sampling method used was convenience sampling. Primary data was collected through an online questionnaire. Secondary data was collected from journals and websites/related reports.

Sample Size: The respondents were undergraduate students both (studying and graduated) in Kerala. Total sample size that was taken into consideration for the study was 361 respondents.

Data Collection method: A structured questionnaire designed using Google forms was used for executing this survey.

Data Analysis: Exploratory factor analysis was done. IBM SPSS Statistics 23 was used to perform the data analysis.

4. RESULTS AND DISCUSSION

A questionnaire was used to collect data for this study. The questions were created following a thorough examination of the research issue, and they are meant to provide understanding into the attitude of undergraduate students towards entrepreneurship in Kerala

4.1 Demographic Profile

Sl. No.	Particulars	No. of respondents	Percentage
1	Gender		
	<ul style="list-style-type: none"> ● Male ● Female 	160 201	44.32% 55.68%
2	Age Group	3	0.83%
	<ul style="list-style-type: none"> ● Below 18 years 	303	83.93%
	<ul style="list-style-type: none"> ● 18-25 years 	55	15.24%
	<ul style="list-style-type: none"> ● 26-45 years 		
	<ul style="list-style-type: none"> ● Above 45 years 	0	0.00%

3	Undergraduate course <ul style="list-style-type: none"> ● B. Arch ● B. Arts ● BBA/BMS/BBS ● B. Com ● B. Sc ● B. Tech ● MBBS ● LLB. 	33	9.14%
		2	0.55%
		71	19.67%
		132	36.57%
		28	7.76%
		87	24.10%
		5	1.39%
		3	0.83%
4	Household annual income <ul style="list-style-type: none"> ● Below 4 lakhs ● 4 lakhs to 8 lakhs ● 8 lakhs to 12 lakhs ● Above 12 lakhs 	22	6.09%
		167	46.26%
		138	38.23%
		34	9.42%

In the study, 160 respondents were male, 201 respondents were female. A minority of the respondents were from Below 18 years age category, while majority of respondents were from 18-25 years age category and rest were split among 26-45 years. . Majority of the respondents were doing professional courses likes B.Arch/B.Tech along similar numbers from Commerce stream ,B.Com . Majority of the respondents were from Below 4 lakhs annual income category and 4 lakhs to 8 lakhs annual income category,

4.2 Factor Analysis: Factors influencing Entrepreneurship as career choice among undergraduate students

The responses are subjected to factor analysis in order to determine the factors that act as a barrier to entry into an entrepreneurial career. The KMO value is 0.659, and the Bartlett's Test of Sphericity chi square is 2801.131 with a degree of freedom of 45 and a significance of 0.000, according to the table. This showed that the data was suitable for factor analysis and that the sample size was sufficient. Kaiser–Meyer–Olkin (KMO) index should be greater than 0.70 and is considered inadequate if less than 0.50 (Field, 2009).

Table 1: KMO and Bartlett’s Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.659
Bartlett's Test of Sphericity	Approx. Chi-Square	2801.131
	df	45
	Sig.	.000

Principal Component Analysis is the extraction approach. The number of extracted factors is indicated in the Eigenvalues. As a result, the initial eigenvalues of component that are greater than or equal to 1 are significant. Factor one has a variation of 41.494 percent, factor two has a variance of 62.173 percent, factor three has a variance of 77.537 percent, and factor four has a variance of 86.566 percent. The rest of the components are not important.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.149	41.494	41.494	4.149	41.494	41.494	3.007	30.069	30.069
2	2.068	20.679	62.173	2.068	20.679	62.173	2.317	23.174	53.243
3	1.536	15.363	77.537	1.536	15.363	77.537	1.966	19.663	72.906
4	.903	9.029	86.566	.903	9.029	86.566	1.366	13.660	86.566
5	.540	5.400	91.966						
6	.284	2.837	94.804						
7	.202	2.022	96.825						
8	.146	1.464	98.289						
9	.102	1.016	99.304						
10	.070	.696	100.000						

Extraction Method: Principal Component Analysis.

Table 2: Total Variance Explained

Rotated Component Matrix^a

	Component			
	1	2	3	4
Difficult in accessing funding.	-.806	-.092	.021	.060
Access to capital.	-.808	-.020	.521	.108
Regulatory or policy barriers.	.004	.046	.948	-.097
Cultural and Mind-set barriers.	.004	.390	-.773	.305
Locational Barriers.	.750	.174	-.053	.527
Inadequate business opportunities.	.046	.185	-.230	.911
Lack of entrepreneurship knowledge and skills.	.545	.731	-.204	.113
Lack of start-up technical support such as how to write a winning business plan.	.271	.840	-.125	.304
Legislation which is not business-friendly.	.869	.067	.293	.187
Lack of support from educational institution.	-.122	.919	.014	.019

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.
 a. Rotation converged in 5 iterations.

Table 3: Rotated Component Matrix

There has been previous references in literature related to factors influencing entrepreneurial education and self-efficacy, entrepreneurial attitude among college students (Liu, Zhao & Zhao, 2019). These models have hinted that individual's inherent characteristics, education level, family business experience, entrepreneurial career expectation are part of the factors that influence this as career choice (Liu, Zhao & Zhao, 2019).

Based on analysis done, Factors contributing to lack of selection of Entrepreneurship as a career among college students:

1. **Legislation and locational barriers:** One of the four factors extracted is 'legislation and locational barriers', which consists of variables 'legislation which is not business-friendly' and 'locational barriers' with a value higher than 0.5. The factor "Legislation and locational barriers" was used to group the variables mentioned above. Businesses may be subject to some decline patterns as a result of governments' legislations and continual changes in rules. Because the government's rules and regulations for businesses change on a regular basis, businesses must regularly update their data and regulations, which necessitates ongoing auditing, regulation, and updating of company data. Otherwise, failing to comply with government requirements could result in severe consequences for you and your firm.

Businesses will have to rely on local talent pools until the company achieves the kind of renown that might encourage a job seeker to relocate across the country to join your business. This entails locating oneself in a location that is conducive to your industry and attracts the types of people you want to work with. This must be difficult for budding entrepreneurs.

2. **Lack of educational support:** The second factor extracted is 'lack of educational support', which consists of variables 'lack of support from educational institution' and 'lack of start-up technical support such as how to write a winning business plan' with a value higher than 0.5. The factor "Lack of educational support" was used to group the variables mentioned above.

Not only in business, but in other fields, a lack of education and lack of support is a hindrance. As for an entrepreneur, education gives confidence, allows to comprehend things better, understand shifting trends better, access information systems better, analyse the market better, and communicate better: all of these things lead to better management. So lack of education and support from institutions is a barrier for entry into entrepreneurship.

3. **Regulatory or policy barriers:** The third factor extracted is 'regulatory or policy barriers' with a value higher than 0.5. Entrepreneurs would find it difficult to access the new market due to the numerous rules and restrictions enforced by government agencies. In addition, there are also plenty of laws and regulations to follow, including taxation, environmental regulations, licences, property rights, and much more, all of which operate as roadblocks to entrepreneurship. Some countries have a high number of corrupt authorities who make it difficult for new entrepreneurs and start-up firms to enter or develop into new markets. It becomes even more challenging if the brand intends to expand its business activities into any of the foreign countries.

4. **Inadequate business opportunities:** The fourth factor extracted is 'inadequate business opportunities' with a value higher than 0.5. Finding the right opportunity is still a barrier for many entrepreneurs. Many entrepreneur have failed pursuing the wrong opportunity. These all makes students worry about pursuing entrepreneurship and this acts as a barrier for them to pursue entrepreneurship. So the inadequate opportunities in the area of interest of students act as a barrier to enter into an entrepreneurial career.

According previous literature, Opportunity recognition and entrepreneurial education have influence on entrepreneurial career decisions among Indian students (Hassan, Anwar and Hussain, 2020). This is similar to the output generated by this research where lack of education and opportunities have been identified as contributing factors. Similar studies have sighted difficulty to gather start-up money and lack of economic growth as factors that hinder entrepreneurship activities among students (Rudhumbu et al, 2016).

5. CONCLUSIONS

Entrepreneurship is the act of starting and growing a business while taking on the risk and reward. The person who engages in this activity is referred to as an entrepreneur. They contribute significantly to the country's progress. Entrepreneurship is the process of a person looking for ways to put their business concepts into action. A person's ability to transform ideas into a small business is a talent. Entrepreneurship is a dynamic process including vision, transformation, and invention. According to the findings, four

factors were found to be the major contributors to not selecting entrepreneurship as career options. The Government and other higher authorities should be able to do some additional support in order to bring out more benefit to the economy through entrepreneurs

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