

Assessing Entrepreneurship Potential Among Generation Z

Mohammed Anzil Ali

St Joseph's University

ABSTRACT

“Opportunities are seized by those who are prepared to seize them.”

The path to entrepreneurship is often treacherous, with unanticipated twists, turns, and dead ends. There are many restless nights, ideas that don't work out, finance that doesn't add up, and customers who never materialize. Starting a business can be so difficult that you may question why anyone would deliberately embark on such a journey. So What does the term "entrepreneur" mean? Being an entrepreneur doesn't mean starting a company or owning one, it is just one aspect of it, it's also a life style and a passion. Passion, long seen as a fundamental component of entrepreneurial activity, keeps entrepreneurs going when times are rough. It is the spark that motivates an investor to join you; it is the vision for the change you want to see. will bring into the world with your new product or service Indeed, the expression "follow your passion" is becoming more popular. The generation that grew up with it enters the professional world. world In this paper we are gonna can see what it takes to be an entrepreneur and who all are willing to be one, especially people among Generation z as they has been influenced by technology and globalization from a very young age. I genuinely feel that entrepreneurship is comparable to any other skill or video game. The more you try and do, the more you learn, but it would be a lot simpler if you read the instruction manual / guide first.

INTRODUCTION

Entrepreneurship is the act of starting a new venture.

It is the procedure for creating, starting, and operating a new company. This entails risk and reward.

Entrepreneurship has been around for centuries, but in recent years it has become more common due to the rise of technology and globalization.

Generation Z (also known as Gen Z) is a demographic cohort following Millennials. They are typically born from 1995 onwards. Generation Z is the newest generation of entrepreneurs. This generation is widely considered to be more entrepreneurial than previous generations. They have been found to have a high potential for entrepreneurship in comparison to other generations. This might be because of the way they are raised, the education they receive, or their exposure to the internet. They are more likely to start their own business and less likely to work for someone else. They are the most hopeful and purpose-driven generation yet. Two-thirds of Generation Z feel upbeat about the future. The next generation wants there to be an end goal, an aim for why they are working, and they want to change the world via their vision. Generation Z expects more from their jobs than just a pay check.

Generation Z has witnessed earlier generations suffer as so Entrepreneurship is becoming more popular among Generation Z as they see their parents struggle with jobs that don't pay enough or have enough benefits for them to live comfortably. As a result, they have devised their own solution for themselves and future generations. Many enterprising Gen Zers are developing their business ideas while attending college. They are advocating for additional free education options, which has led some to provide free education.

Entrepreneurship used to be about making money and succeeding, which is still a desirable and important outcome. However, Gen Z is more concerned with freedom, experiences, and equality than they are with possessions and ownership.

Changing entrepreneurship's core goal can help more social problems receive the proper resolution. Gen Z appear to be more interested in finding methods to avoid wasting stuff and making unnecessary purchases than any generation, who grew up through recessionary times, does.

Along with millennials, Gen Z was raised in one of the most varied cultures and has taken up the cause of promoting more equality and tolerance for all sorts of people. They do this because they are more concerned with deeds than culture.

The Gen Z generation has grown up in a world where technology is readily available at their fingertips. They have been exposed to the benefits of globalization and technology advancements which has given them an edge over other generations when it comes to entrepreneurship skills like creativity and innovation that they can use in business ventures.

Entrepreneurship has been on the rise over the past decade, and this trend is expected to continue with Generation Z.

Entrepreneurship

Entrepreneurship is a difficult notion to grasp. Entrepreneurship has been the topic of much controversy that different authors define it differently. Some regard it as 'risk-taking,' others as 'innovations,' and yet others as 'thrill seeking.' It is defined as follows during an entrepreneurial conference hosted in the United States:

"Entrepreneurship is the endeavour to produce value via business recognition."

opportunity, risk management suitable to the opportunity, and using communication and management skills to mobilise human and financial resources and the material resources required to complete a project"

Entrepreneurship is the mental proclivity to take calculated risks with confidence in order to attain a certain economic or industrial goal. In essence, it is the individual's risk-taking aptitude, widely combined with sound decision-making. A commercial class is recognised when a significantly higher number of persons, and that too, generation after generation, in a specific community participate in industrial or commercial interests and appear to take risks and exhibit entrepreneurship. The commercial class, like the so-called martial race, is a fantasy. There will never be any martial races or commercial classes. Communities that looked to be martial in spirit at one point in history have now evolved into merchant cultures. Later in history, those who were formerly more concerned with and enjoyed commerce appear to have taken up the profession of the sword. Anyone can see now that national communities that have acquired global economic and commercial interests are militarily powerful; indeed, large industrial powers have today become super-military powers as well. Enterprise manifests itself in several ways. The ability to take risks autonomously and individually in order to benefit and seize opportunities to increase earnings in a market-oriented economy is the dominating attribute of modern entrepreneurship.

Stats About Entrepreneurship

Entrepreneurship Landscape

- For the past 19 years, the United States has seen an increase in the rate of entrepreneurship.
- In 2021, there were around 5.4 million newly registered enterprises. The YOY growth is 23%.
- In the US, 65% of small firms are profitable.
- 54% of owners of small businesses believe the epidemic is still having an effect on their industry.

- In 2022, 51% of business owners anticipate growing their workforce.
- In 2022, 41% of business owners intend to renovate or grow their operations.
- In 2022, the most common reason for someone to start their own business is dissatisfaction with corporate America.
- 47% of people started their own businesses in order to be their own boss.
- There are 60.6 million individuals employed by small enterprises in the US.
- 70% of small business owners say they work more than 40 hours a week, and 19% say they work more than 60.
- Starting a business requires one day in New Zealand, two in Canada, three in Australia, five in the UK, and six in the US.
- 74% of businesses actively spend money on social media promotion.
- Almost 64% of businesses actively devote attention to SEO.
- The most popular sectors for small business owners are retail and food.
- Small business owners claim that their operations are profitable in 78% of cases.
- In the United States, more than 543,000 new businesses are founded each month.
- A quarter of business owners say it's difficult to hire people who are competent.
- 7% of small business owners have a professional degree, compared to 2% who have a doctorate.
- Because they aren't yet ready to retire, 22% of American company owners launch their ventures.
- 31% of American company owners launch their ventures in order to follow their passions.
- Entrepreneurs rank communication as the most crucial talent to possess, followed by problem-solving (53%) and time management (48%), according to 54% of respondents.
- Over half (58%) of business owners report working unusual or irregular hours.
- Up to three enterprises are operated by serial entrepreneurs over their lifetimes.
- In 2022, 39% of small company owners want to spend money on digital marketing.
- In 2022, 23% of small company owners want to spend money on traditional marketing.
- According to 29% of business owners, recruiting in 2022 was "extremely challenging." Only 1% of business owners claim it was "extremely simple."
- Applications for weekly business have increased by 31% since 2019.
- In the upcoming 12 months, 23% of small enterprises would exclusively employ remote workers.
- 87% of new small businesses in the next 12 months will operate mostly online or in both online and offline environments.

Financial Statistics

- A whopping 40% of crowdfunding projects raise money for commercial and entrepreneurial endeavours.
- 86.3% of small business owners earn less than \$100,000 annually, and 30% don't even pay themselves a salary.
- Five hundred and twenty percent (52%) of small firms express "great worried" about inflation.
- In 2022, growing internet sales will be the top focus for small enterprises.
- In 2022, 43% of small firms anticipate raising their pricing.
- Rollovers are the primary source of beginning capital for 13% of business owners.
- Lack of cash flow is the largest problem facing small company owners and potential entrepreneurs.
- A small business owner typically needs \$10,000 in launch financing.
- 37% of owners of small businesses rely on cash to keep their operations running.
- 401K funding, the second most typical source of company finance, is preferred by 13% of small business owners.
- 10% of entrepreneurs and owners of small firms receive funding from friends and family.
- The top three difficulties for potential business owners are a lack of funding or cash flow, finding workers, and marketing.
- The yearly pay of a CEO is approximately \$156,128.

- Small company owners make an average base salary of \$61,455.
- The US, the UK, and Canada hold the largest market shares worldwide for crowdfunding.

Entrepreneur Demographics

- In the United States, more than 54% of business owners hold a bachelor's degree or higher.
- In the United States, 5.2 million small business entrepreneurs identify as persons of colour.
- There will be about 274 million women business owners by 2020.
- 46% of black entrepreneurs are women.
- There are 5.9 million entrepreneurs under the age of 35.
- Veterans hold 6% of small companies in America.
- There are 6.3 million small company owners in the US who were born abroad.
- In 2020, California had the most entrepreneurs per capita in the US.
- People of colour own 29.3% of the companies in the United States.
- 92% of business owners don't regret starting their enterprises.
- Entrepreneurs who have started or run many businesses make up 30% of all business owners.
- Due to a lack of well-paying work, half of the respondents polled decided to start a business.
- Gen-Xers account for 46% of wannabe entrepreneurs.
- Boomers make up 45% of wannabe entrepreneurs.

How Entrepreneurs Function

- In response to the COVID-19 outbreak, 82% of small enterprises have adopted workplace modifications.
- The vast majority of company owners (74%) reported being either moderately or very pleased.
- Employee benefits are provided by 75% of small enterprises.
- 42% of gig workers converted their side hustles into full-time jobs.
- 69% of American entrepreneurs launch their businesses from their homes.
- The advent of digital collaboration platforms (39%) and flexibility in how work is done (36%), according to social entrepreneurs, are the most important components in making remote employment feasible.
- The most important activity for social entrepreneurs to alter work is to create a growth-oriented company culture (45%).

As fresh research on the condition of entrepreneurship emerges, we will continue to provide pertinent data.

Entrepreneur

Entrepreneurs are the Business owners who invest the money and take on the risk of unforeseen circumstances in business opportunities. Entrepreneurs are extremely motivated and action-oriented. He possesses the capacity to assess business prospects, acquire the resources required to seize them, and take the necessary steps to achieve success. Innovations are often connected with entrepreneurs.

The primary production factor is him. Making decisions on what to produce, how to produce, where to produce, and for whom to produce is the responsibility of the entrepreneur. He mobilises additional production inputs, such as land, labour, capital, and organisation, and starts the production process. He is in charge of both the gain and the loss. Birla, Tata, and Modi are three prominent Indian businessmen.

Start-up founder, entrepreneur, and businessman

Start-up founder, entrepreneur, and businessman are three distinct concepts with a lot of overlap. People are frequently more than one of these.

A start-up founder invents something new, a new solution to a new problem, generally via the use of technology. The goal of a start-up is not to produce money, but to pioneer a new sort of business.

An entrepreneur invests their money in a new venture. Typically, an investor. Entrepreneurs used to go to other areas to explore. It is no longer only geographical exploration. Essentially, entrepreneurs invest their money in fresh ventures that have the potential to become profitable enterprises. Peter Theil is an entrepreneur who invested in Mark Z's firm, among many others.

A businessman conducts transactions. The model is well established, and they know that X amount of investment delivers Y amount of returns. For example, starting a new gas station or grocery shop, or starting a YouTube channel. It has nothing new. It employs an existing model. There is still risk, but it is not experimental; it is designed to make money from the start. It's the polar opposite of a start-up.

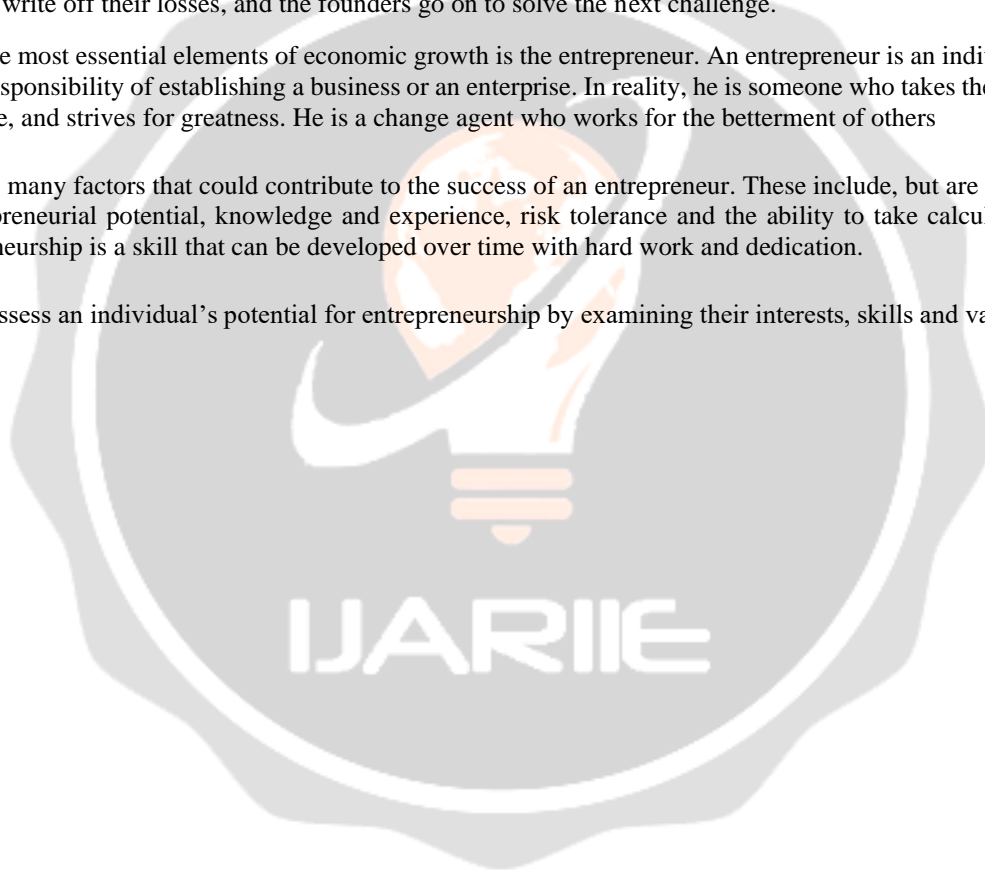
Start-ups either become business or develop into entrprises. Entrepreneurs strive to make this a reality. Frequently, the three parts are played by the same person at various periods. But not all the time. Many investors, for example, remain entrepreneurs; they do not go on to become business-people or founders.

This is why many businesses lack a business model from the start. That is on purpose. They intend to develop a business model as they go. As YouTube and Instagram did. They begin by focusing on addressing a problem; how that leads to money is something they consider later. In certain situations, they are bought, and the founders profit before the revenue model has even been created. In other situations, they never become businesses, the investors write off their losses, and the founders go on to solve the next challenge.

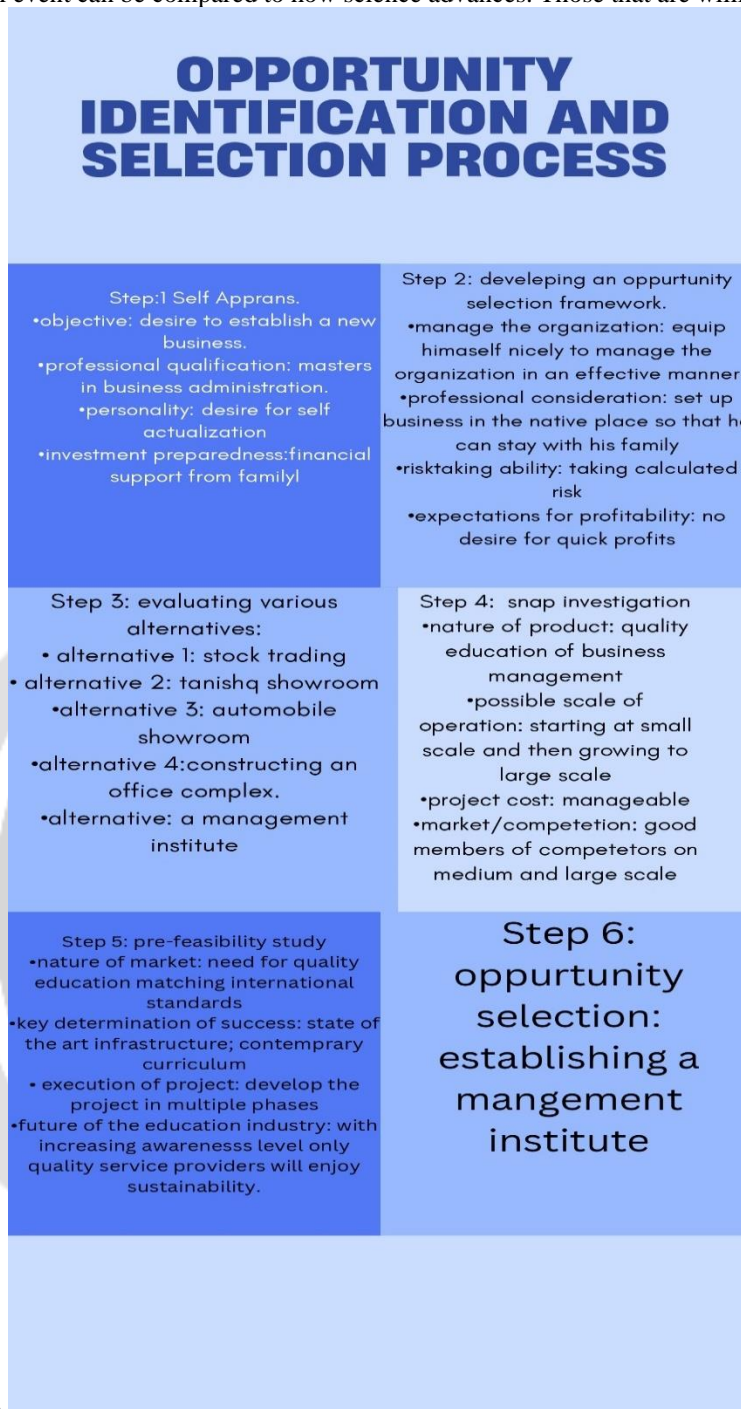
One of the most essential elements of economic growth is the entrepreneur. An entrepreneur is an individual who has the responsibility of establishing a business or an enterprise. In reality, he is someone who takes the initiative, is creative, and strives for greatness. He is a change agent who works for the betterment of others

There are many factors that could contribute to the success of an entrepreneur. These include, but are not limited to, entrepreneurial potential, knowledge and experience, risk tolerance and the ability to take calculated risks. Entrepreneurship is a skill that can be developed over time with hard work and dedication.

We can assess an individual's potential for entrepreneurship by examining their interests, skills and values



The entrepreneurial event can be compared to how science advances. Those that are willing to take advantage of.



opportunities do so

Despite our attention being on the potential entrepreneur, we fully understand that business activity is not isolated. Rather, it is tightly integrated into a cultural and social setting, frequently in the midst of a network of social and economic human relationships

Entrepreneurs do not appear on their own. While the other components of production are, in theory, employable, entrepreneurship is not. They must come from diverse backgrounds. Even most developing countries' educational systems are geared to produce more job creators. To summarise, in many nations, entrepreneurs appear to have been inspired by a mixture and interplay of the following environmental factors:

1. Socioeconomic environment;
2. Family background;
3. Standard of education and technical knowledge;
4. Financial stability;
5. Political stability and government policy;
6. Caste and religious affiliation;
7. Availability of supporting facilities;
8. Achievement motivation;
9. Personality and personal skill

Business plan

A business plan is crucial for an entrepreneur to plan and layout his business.

A great business plan is a road map to success. It's essential for obtaining finance, presenting your company, describing your financial predictions, and making your business idea into a reality.

Investors want to know why your company is entering the market, what problem it is solving, and how it distinguishes from competitors. They also want to know why your product or service is now in high demand.

At a minimum, your plan should:

- Be pragmatic rather than idealistic: Too frequently, company plans focus on how things could be rather than how they are. While having a vision is essential, your strategy must be grounded on research and evidence.
- Validate your company concept: If an idea fails on paper, it's time to go back to the drawing board. You save valuable time and money by not following an impossible notion.
- Prepare your business for funding: To get your firm off the ground, you'll most likely require financial assistance. Even with a sound business plan, investors, lenders, and banks must be persuaded. A successful business plan will define how much money you need, where it will go, what goals you will achieve, and how you will achieve them.
- Lay the groundwork: Investors are concerned with risk, and anything that appears weak might be a deal breaker. Ideally, your business plan would provide the groundwork for how you'll run your company, from operational requirements to financial predictions and goals.
- Explain your requirements: It is very hard to communicate your demands if you do not first identify them. Of course, a business's demands are always changing — but your plan should provide you with a comprehensive picture of how your company will operate in the medium and long term.

So, back to the topic of why and why now, examine the following:

- Your industry - What role does your product or service play in your industry? Are you aiming for a certain market? What do you think the industry will look like in the next five to ten years?
- Your target audience - Who are you aiming for? What difficulties do they face? How would your product or service make their life easier?

- Your unique selling proposition (USP) - What distinguishes you from your competitors? Is it a feature of your product or service? What are your company's values? Price?

Once you've answered these questions, you'll be able to answer the following: why are you doing business and why now?

LITERATURE REVIEW

Norris Krueger (2020) Entrepreneurial potential and potential entrepreneurs: covers the evolution of Entrepreneur and Entrepreneurship.

Richard Strong (2020) Discovering the Entrepreneur Potential in You: Studies the basic concepts of having a Entrepreneurial mindset and how one can develop it. It provides ideas that help to think as an Entrepreneur.

VASANT DESA (2009) Entrepreneurial Development: Covers the political, social and economical impact on Entrepreneurship in India. And the impact of Entrepreneurship on economical, social and political aspects in India. How Entrepreneurs has evolved.

Harvard Business Review (2018) Entrepreneur's Handbook: teach all the aspects about starting your own business. From business plan to business execution, the book's state that passion is the key element in any way of success.

OBJECTIVE

To assess the Entrepreneurial potential among generation z through the collected data,

METHODOLOGY

A survey was conducted through Google Forms to collect data on Entrepreneurial potential in which contained questions that would help to evaluate the Entrepreneurial potential in them, and the survey form link was shared to people through social media.

TOOLS UTILIZED

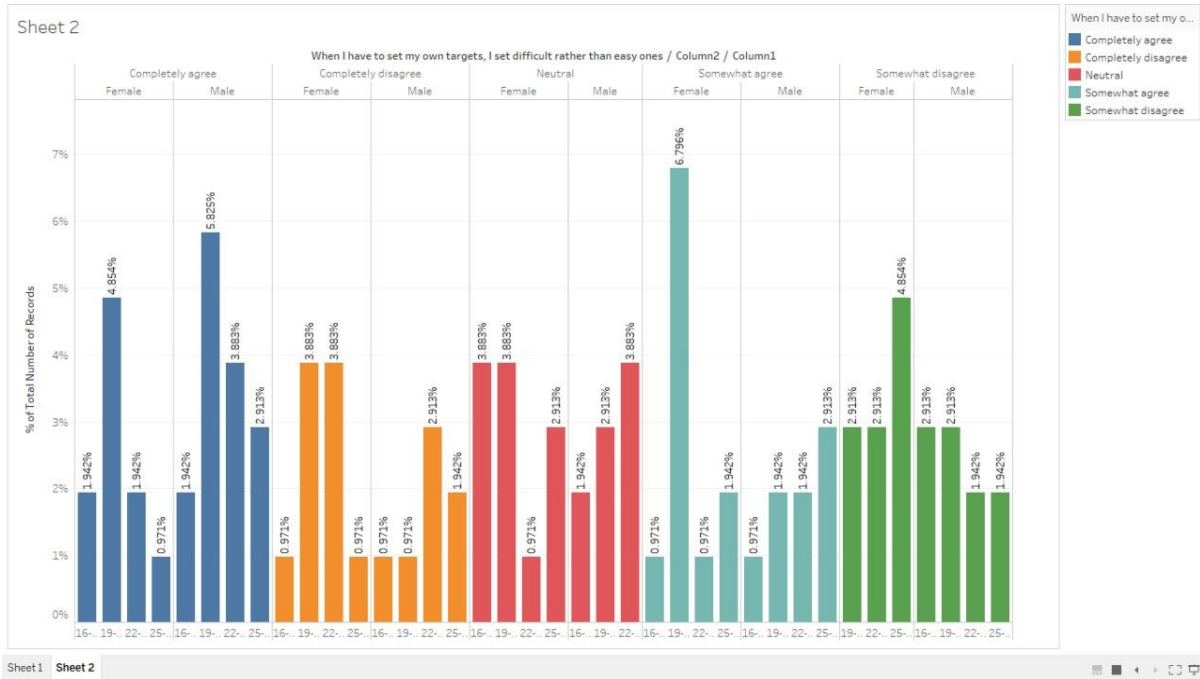
Data visualisation and charts were prepared via Tableau

DATA INSIGHTS

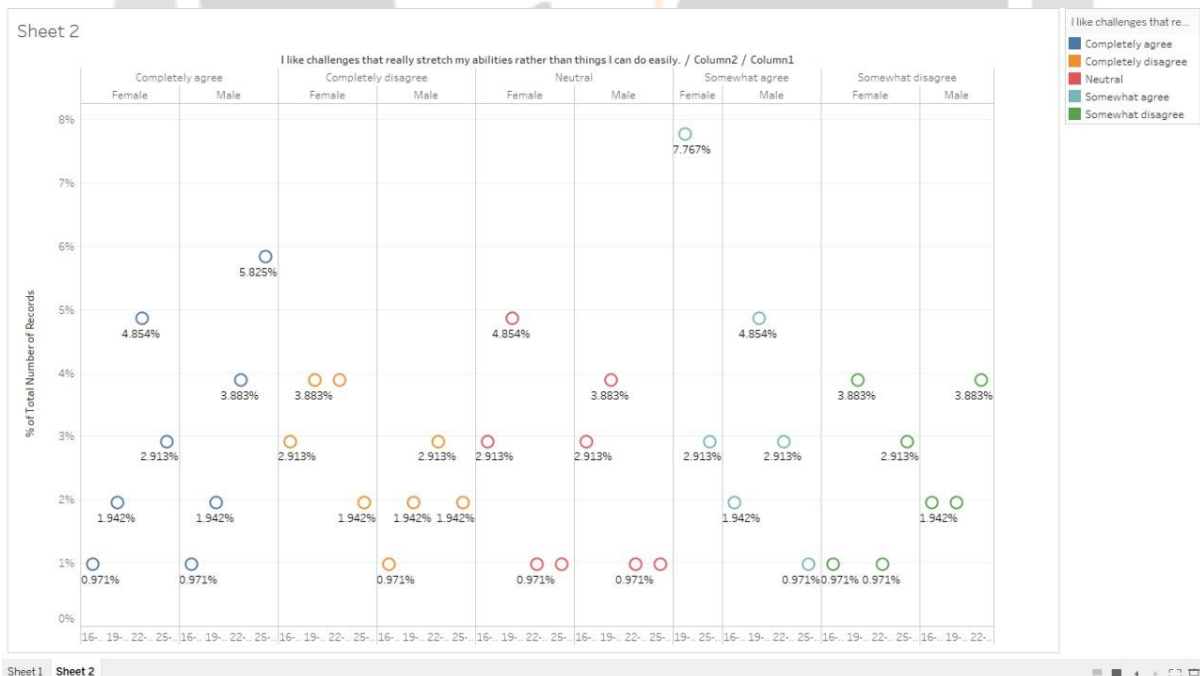
Through the survey, I was able to acquire responses from around 103 users, which were taken as data samples. Among these respondents, 49 were males and 54 were females.

Table 1

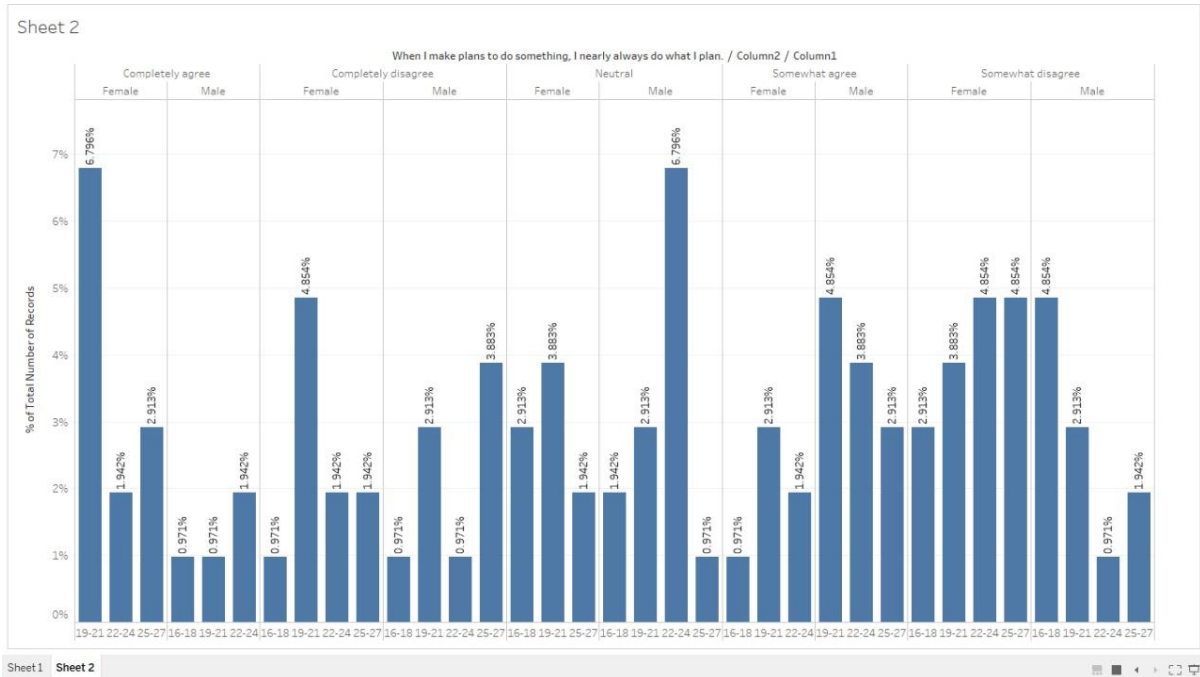
Age	Female	Male
19-21	23	15
22-24	11	15
25-27	12	10
16-18	8	9
Total	54	49



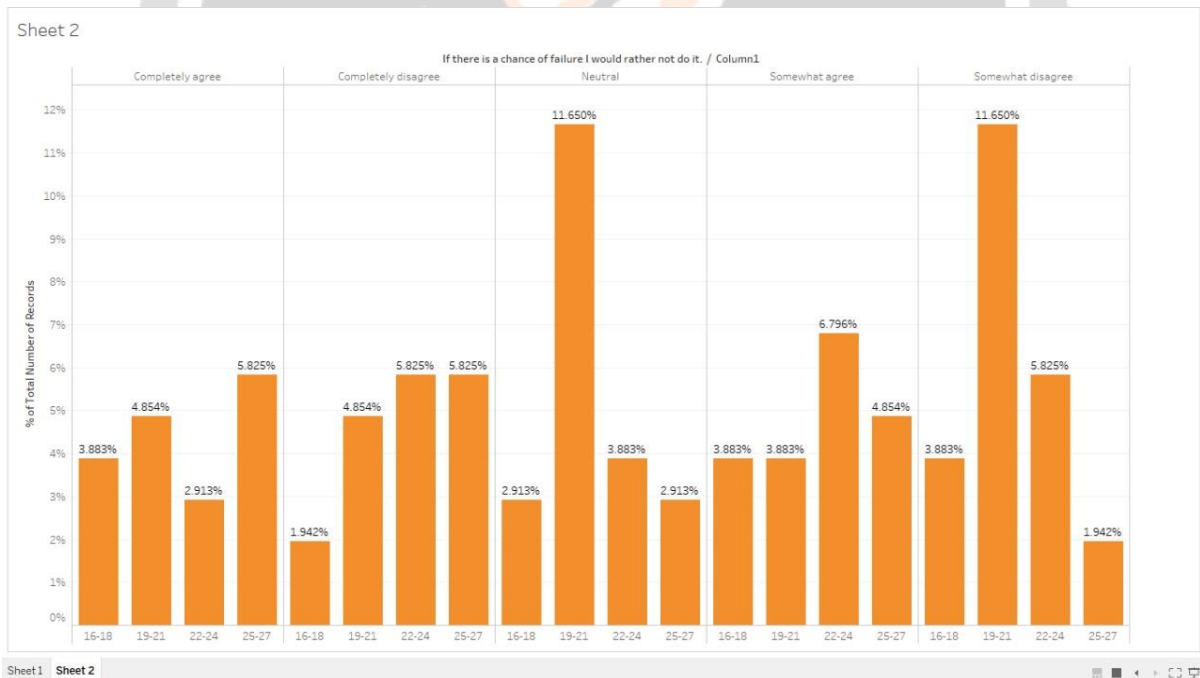
- Among age group of 19-21, 5.825% of male and 4.852% of female what’s to set a higher or difficult goal rather than an easy one.
- Among age group of 22-24 and 25-27, 3.883% of female and 2.913% of male don’t want to set a difficult goal.
- Among age group of 22-24, 2.913% of male don’t want to set a difficult goal.
- Majority percentage of total female and male of age group among 19-21 wants to set a higher or a difficult goal because they are at the starting of their adulthood which makes them think about their future and be more self-dependent.



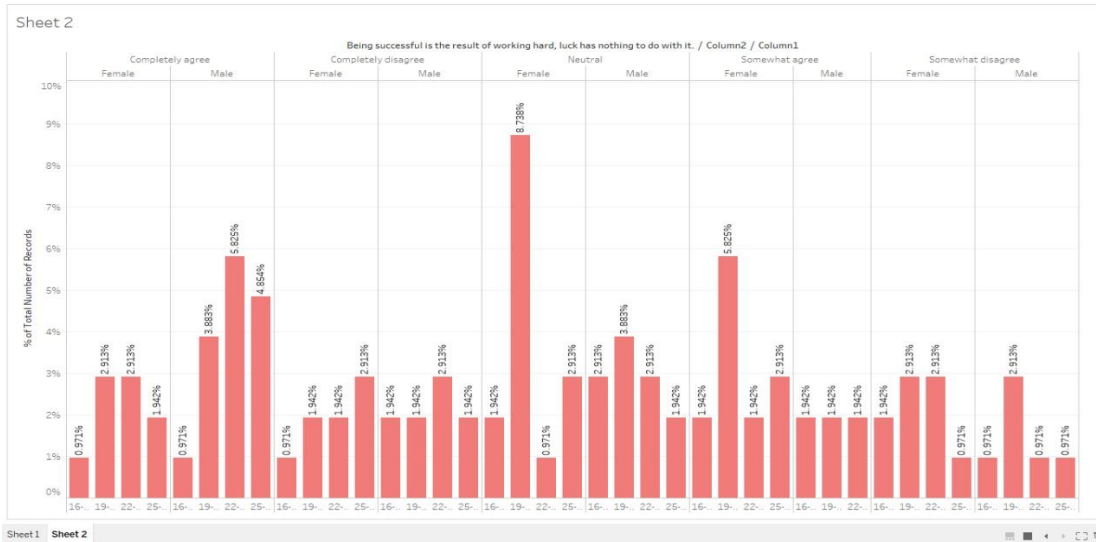
- 4.85% of female in age group of 22-24 would rather take on a challenging task than an easy one to stretch their ability.
- 5.825% of male in age group of 25-27 would take on a challenging task in order to improve themselves
- 22.518% of female and male out of the total 103 want to do a challenging task than an easy one.



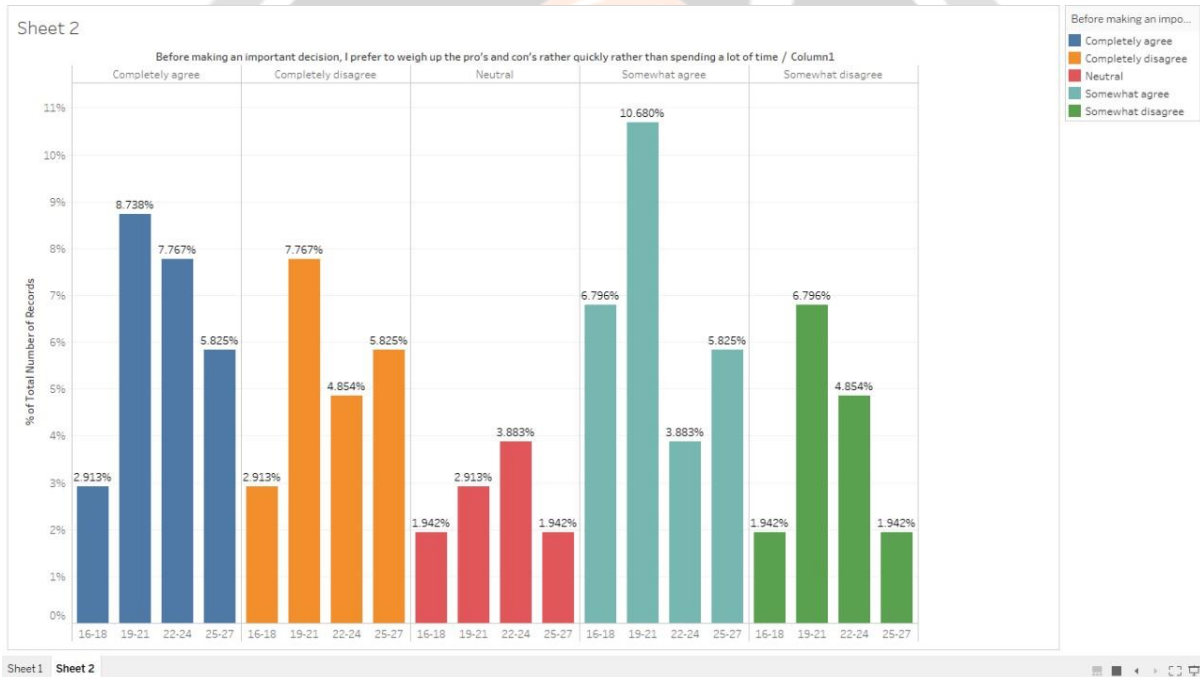
- 4.854% of female in age group 19-21 and 3.883% of male in age group 25-27 completely follow through their plan.
- 6.796% of female of age group 19-21 and 1.942% of male in age group of 22-25 might not completely follow through their plan.
- 15.535% of 103 people don't go with their plan, about a total of 18.336% do follow up their plan.



- 18.446% out of total 103 are willing to take risk even if there is a chance of failure.
- 23.3% people might take their chances if there is a chance of failure.
- 17.475% of 103 people won't take risk if there is a chance for failure.
- People in age group of 22-24 and 25-27 are more likely to take risk.



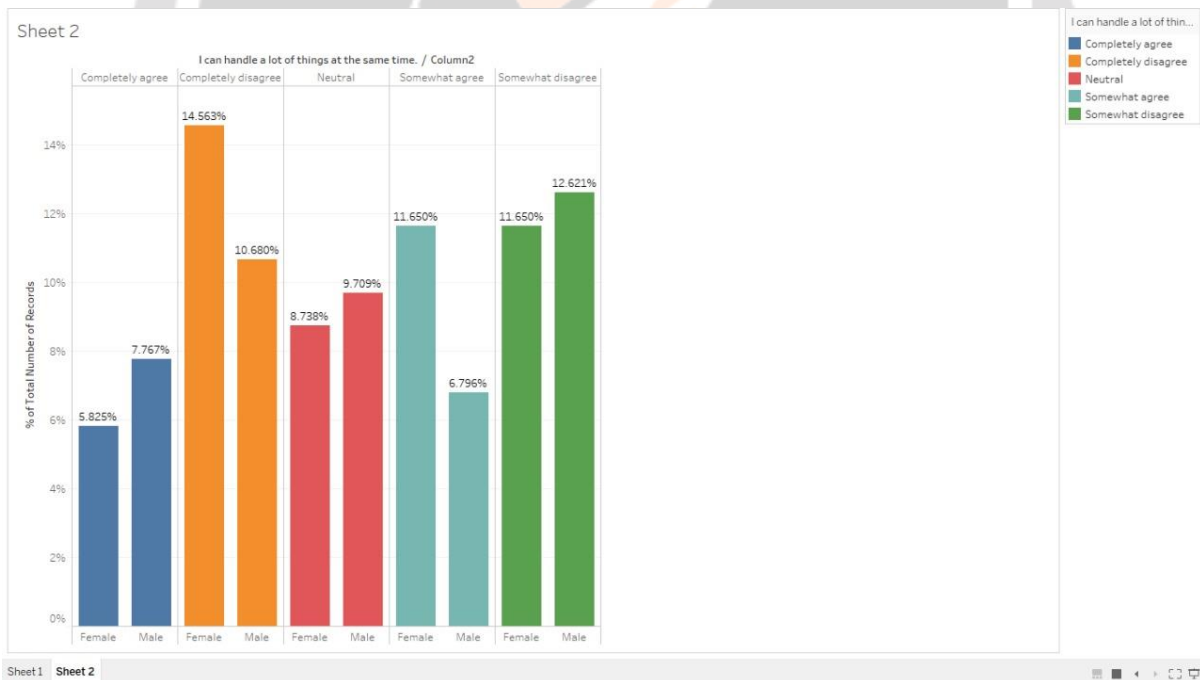
- 24.272% of 103 people think hard work is the key to success.
- 5.825% of male in age group of 22-24 and 2.913% of female in age group 22-24 and 25-27 are more likely to work hard than rely on their luck.



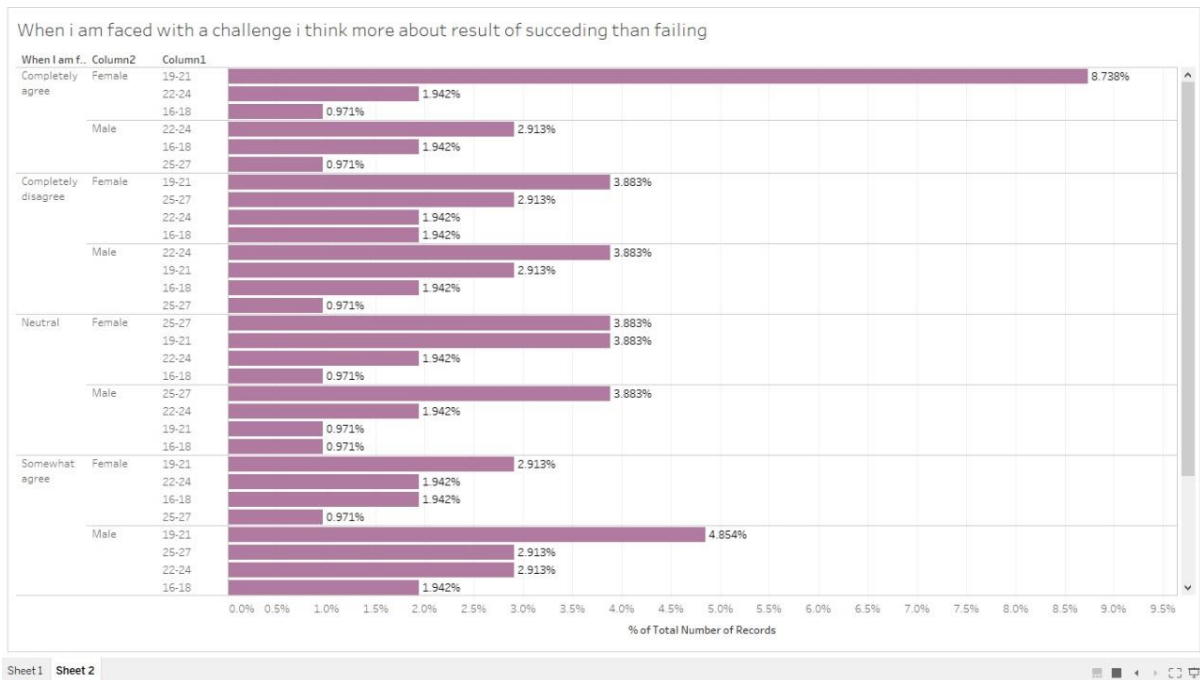
- 25.243% of 103 people take important decision by calculating the risk than just taking a swing.
- 8.738% of people belonging to age group of 19-21 are more cautious while taking important decisions.



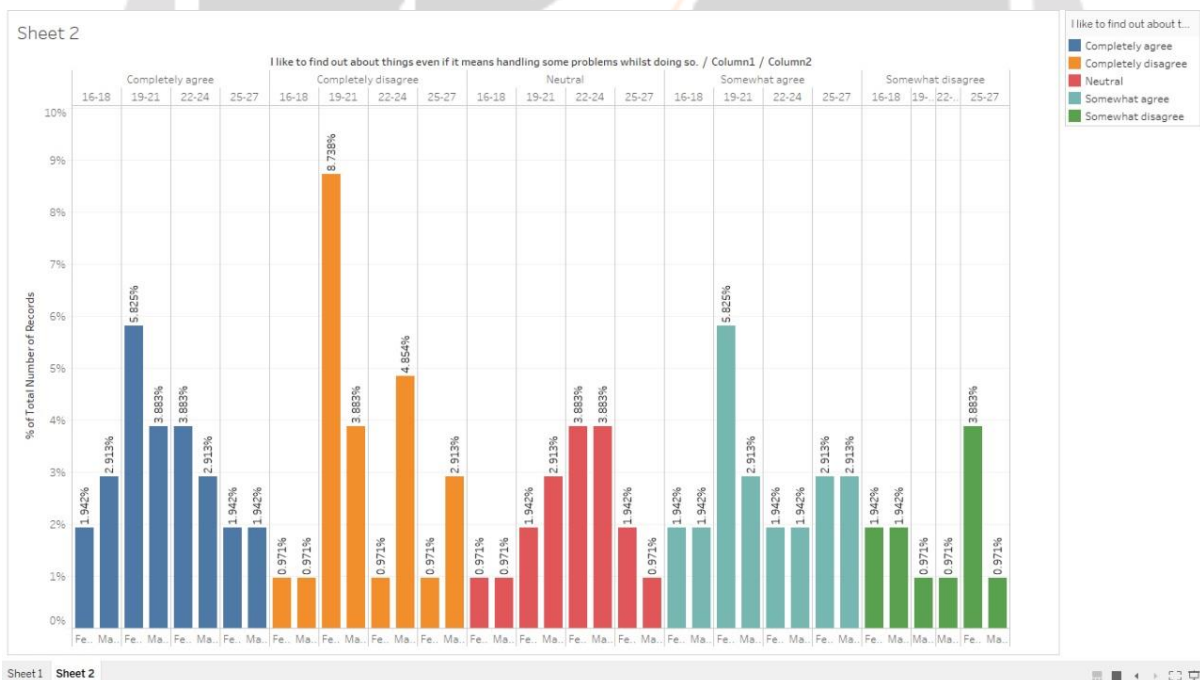
- Majority of people might take the opportunity that leads them to better things than having an experience that they are sure enjoy.
- 5.825% of female and 7.767% of male rather do things they love to do than chasing opportunities.
- 19.418% of people will take the opportunity that leads them to greater things



- 13.592% of people out of 103 can do multitasking while 25.243% people can't.



- 17.477% of 103 people takes in positive outcome while facing challenges, out of that among age group 19-21 8.738% of female and age group 22-24 2.913% of male are more likely to have a positive attitude towards a challenging situation.
- 20.389% of people might think the worse case scenario while being in challenging situations. It may help them to calculate the risk and damage control,



- 25.243% of 103 people prioritize information gain even if they have to face problem in finding it out.
- 5.825% of female and 3.883% of male are willing to face challenges in order to get the right information.

CONCLUSION

Generation Z has greater Entrepreneurial potential, it is because their exposure to new technology (internet) and globalization from a very young age, all the world information at the end of their finger tip. They rather do things that enjoy than work an 8-9 hours job. They are ready to take calculated risk and seize an opportunity when they find one which make them grate Entrepreneurs. They have learned to create social networks through internet that gives them more opportunities and information for their Entrepreneurial journey. Gen z people have learned to generate revenue through internet from social media to marketing. There is still time and space for the gen z to grow, the number of millionaires has drastically increased over the last decade because of the blockchain technology and such technologies are yet to come. There are a lot of promotions for Entrepreneurs even from the government as they want to make for people to generate more job opportunities for the needed. Entrepreneurship is now trending among gen z and it will only go up for the generations yet to come.

References

Norris Krueger (2020) Entrepreneurial potential and potential entrepreneurs:
<https://doi.org/10.1080/26437015.2020.1714363>

Richard Strong (2020) **Discovering the Entrepreneur Potential in You**

Harvard Business Review (2018) Entrepreneur's Handbook Everything You Need to Launch and Grow Your New Business

VASANT DESA (2009) Entrepreneurial Development.

