A Study Of Entrepreneurial Choices And Challenges Encountered By Young Graduates

Dr. Usha Dinakaran, Dr. Nita Thomas, Dr. S. Boopathy

Abstract: India, one of the most populous countries is growing phenomenally, though the challenges of unemployment is compounding. An unique method of overcoming this issue is through motivation of college students in becoming entrepreneurs, which will not only create employment but will also reduce the pressure of gaining employment on the students. However, flexible government policies in favor of entrepreneurs will facilitate the economic development of the country. In this study, a quantitative method is used to collect the data on entrepreneurship and the changing preferences of college students. A survey (N= 209) among college students of Bengaluru, India is conducted to identify the impact of entrepreneurship on work life choices of young graduates, evaluate the emergence of entrepreneurs in influencing decisions and analyzing the differing choices of males and females in terms of entrepreneurial selections. Analysis of the collected data indicates that Indian Government policy, unskilled labor, entrepreneurial education, family background and caste are factors affecting the entrepreneurial growth rate in Bangalore. Entrepreneurship education in Bangalore is still in the early stages, thus, depriving the college students from acquiring gainful practical knowledge. The structure of a conventional learning system and lack of social experiences also affects the learning process.

Keywords: Young Graduates, Entrepreneurs. Challenges

1. INTRODUCTION

1.1 Entrepreneurship
Entrepreneurship is one of the significant factors for the growth of macro economy of a nation. Bygrave and Hofer in1891 described the entrepreneurial method as "connecting all the duties, roles, and procedures connected with grasping of opportunities and origin of ventures to pursue them". Entrepreneurship is not only something related to economic growth but also related to studying the market and shaping the organization according to the dynamic environment. Entrepreneurs innovate and create new products or extend their service to satisfy the needs and wants of a customer. An entrepreneur requires human resource management skills, market knowledge, finance, marketing and managerial skills to run the organization successfully. Entrepreneurship plays an influential role in the economic growth and it is one of the basic of the imperatives and goals of economic development. Entrepreneurship development is all about imbibing the ability to take risks and thereby capitalizing on emerging opportunities besides playing an influential role in the economic growth of the country. Entrepreneurship through the demonstration of latest autonomous businesses was so prosperous and flourishing in the United States during the 1980s and 1990s in generating and augmenting jobs that it overwhelmed the expulsion of over 5 million jobs in related big business (Aron S. Spencer, Bruce A. Kirchhoff and Craig White, 2008).

1.2 Entrepreneurship in India

- Dr. Usha Dinakaran, Associate Professor, Department of Hotel Management CHRIST (Deemed to be University), Bangalore, India. E-mail: myphdresearch18@gmail.com
- Dr. Nita Thomas, Associate Professor, Department of Hotel Management CHRIST (Deemed to be University), Bangalore, India. E-mail: nita.thomas@christuniversity.in
- Dr. S. Boopathy, Associate Professor, Department of Management Studies CHRIST (Deemed to be University), Bangalore, India E-mail: boopathy.srihari@christuniversity.in

New businesses cannot work in a vacuity. They need promoting eco-framework to sustain them. Business people have been setting up organizations in India since the hereafter. It is a well-known fact that these entrepreneurs have begun from an overwhelming position. By building up a reasonable Eco-framework that coordinated the requirements of the traditional organizations. The center of this eco-framework is the brooding office inside the business that empowered the new entrepreneurs to fiddle with steady development, funded by angel investor funds drawn from the surplus created by the money making machines of the business. Models were designed and experiment developed through access to merchants and wholesalers and the business drivers. The essential responsibility is to upgrade the 'ease of doing business'. In a general sense, the concept for Start-Up India approaches that of the Green and White Revolutions, which had chiefs Dr. Swaminathan and Dr. Kurian - to both sets the concept and perform logically at the grass-root level. So now India creates businesspeople from all networks, regardless of whether old entrepreneurs from non-business networks or cutting-edge people from well-known privately-owned companies. An exceptional accomplishment accomplished in under three decades. The present 'new economy' administrators and their ventures contrast from the 'old economy' business visionaries and their organizations in a few regards.

1.3 Entrepreneurial Support in India
The articles portray the significance of woman business visionaries in India. Indian lady's business visionaries have massively added to the modern business. Indian business people are progressively about beating obstructions, deterrents, and motivating others. The money related improvement, monetary advancement and outside interest as to business enterprise improvement. The paper is an endeavor to investigate the connection among business enterprise and improvement with remote venture, budgetary advancement, and monetary advancement. The aftereffect of the investigation demonstrates that generation is decidedly influenced by monetary advancement and money related improvement over the long haul while in the short run the creation did not have a positive effect. Business is
an imperative region of center for India to give residents pay and professional stability. The article delineates that Indian business visionaries are standing up to challenges in zones like record, advancing, rising development, charge evaluation and government methodologies. The impact differs from system to coordinate with reference to their age and experience. the state of financial development and making riches and work, gaining charge for the administration due to which business is firmly identified with the monetary development of a nation. Business people secret thoughts and into items and administrations through which at that point produce benefits. For the improvement of a business person, it requires enterprising abilities, giving learning, fund, showcasing, and administrative aptitudes.

2. REVIEW OF LITERATURE

2.1 Entrepreneurship
Batthini, G., & Vaishnav, N. (2016) designed to support the growth of innovation, changing the market and the economies. The journal focuses on dynamic entrepreneurial research, practical knowledge and changing trends. Finally, the authors feel that books, articles and leading journals on entrepreneurship related to corporate entrepreneurs, startups, family business entrepreneurship should be given preference. Swetha, T. S., & Rao, R. R. (2013) research about the history of entrepreneurship, development stages, and a comparison of the history of Indian entrepreneurship to the present time. There were many issues, which were impacted entrepreneurs like lack of political unity, economic stability, poor communication, devastating tax policies. Indian entrepreneurs are more about overcoming barriers, obstacles, and inspiring others. Amit, (2014) explains the financial development, economic development and foreign investment inregard to entrepreneurship development. The paper is an attempt to explore the relationship between entrepreneurship and development with foreign investment, financial development, and economic development. The business environment should be made convenient for entrepreneurs to attract foreign investments and promote the economy.

2.2 Entrepreneurship in India
Patankar, V. A., & Mehta, N. K. (2018) discussed about the effect of socio-mental, individual qualities and saw business enterprise condition of business people. Different people group are likewise rising in an advanced adaptation of business enterprise, this examination distinguishes the difficulties looked by these networks and its contrasted and the qualities and shortcomings. Rawal, T. (2018). Determined various challenges faced by social entrepreneurs, economic entrepreneurs and to overcome those challenges. Social entrepreneurship has changed the face of the society in a positive manner. The area of work is the region, which is either ignored or left by organisations. Due to these social entrepreneurs work in these regions to develop them for the societal benefits.

2.3 Entrepreneurial Education
Singh, K. D., & Onahring, B. D. (2019) examined absence of reserve, an absence of crude materials, untalented workers and so on were generally viewed as the hindrances of commencement and improvement of innovative exercises. In any case, with the different advancement arrangements are made by the anxiety experts, it prompts the development of entrepreneurial goal as an important factor. Linton, G., & Clinton, M. (2019), discussed "through" approach. This paper features how a systems approach and business instruction with a "through" point of view can be accomplished by using design considering. This is explained reasonably and delineated with a model. They contended that a techniques approach for entrepreneurs is advantageous, where configuration thinking can be one central instrument and approach for educating entrepreneurs.

3. RESEARCH METHODOLOGY

3.1 Objectives of the Study
(a) To identify the impact of entrepreneurship on work life choices of young graduates.
(b) To evaluate the emergence of entrepreneurs in influencing decisions.
(c) To analyse the differing choices of males and females in terms of entrepreneurial selections.

3.2 Hypotheses
(a) There is a significant difference between the choices of men and women, in terms of entrepreneurial choices.
(b) There is a difference in career choices of under graduation students and post-graduation students.
(c) There are elements that influence the emergence of new entrepreneurs.

3.3 Sampling
The method of sampling will be purposive sampling, which is also called the method of judgment sampling. Based on observation, the researcher will use his or her judgment to be able to determine the crowd that would be fit to conduct their survey on

\[ S = \frac{Z^2 \times p \times (1-p)}{m^2} \]

Confidence Level - 90% = 1.645
Margin of Error = 0.05 (5%)
Population Size - 50/100 = 0.5
\[ = 384.16 \]

Adjusted population
\[ S = \frac{S}{1 + \left[ \frac{S-1}{Population} \right]} \]
\[ S = 384.16/(1 +1.39) = 160.74 \Rightarrow 161 \]

3.4 Limitations
(a) Biased answers may be given by respondents instead of their true reflections.
(b) Due to time and budget constrain the researchers have chosen college-students only from Christ (Deemed to be university) as the respondents.
3.5 Implications
The findings from the study will act as a tool to obtain a clear picture of the changing preferences of college students and the development of entrepreneurship. The study would portray various internal and external factors affecting entrepreneurship, and have an effect on how the education system, government policies, and other factors should support and promote entrepreneurship in order to generate employment, attract foreign direct investment, work towards the betterment of society and boost the economic growth of the country.

4. ANALYSIS & INTERPRETATIONS

4.1 Analysis
The analysis was conducted in Bangalore and the students targeted were from CHRIST (Deemed to be University). The participants were asked 22 questions including demographics. A total of 209 responses were collected and there was a division of 35.4% and 64.6% between under graduation and post-graduation ratio.

Figure 1: Aspirations after Graduation

Figure 1 shows that 48.8% students were desirous of being employed after their education. This figure was followed by those students who were desirous of taking up family owned business after obtaining a degree. This number was followed by those students who aspired to be entrepreneurs. Hence these 19.1% of the student population will be the focus of the study to analyze the influence of the elements on career choices. The questions were also pertinent towards analyzing the relevance of the study and to understand the changing choices of the students. It is found that the third highest number of students are willing to take a business risk and contribute towards the Indian economy by starting their own ventures.

Along with their choices, the willingness to contribute to the society was also questioned. The responses as shown in Figure 3 were seen to be in favor of positive contributions to the society.

4.2 Descriptive Study

Table 1: Gender of Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>69</td>
</tr>
<tr>
<td>Male</td>
<td>140</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 2: Age of Respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 20 Years</td>
<td>24</td>
</tr>
<tr>
<td>21-25 Years</td>
<td>114</td>
</tr>
<tr>
<td>26-35 years</td>
<td>61</td>
</tr>
<tr>
<td>Above 36 years</td>
<td>10</td>
</tr>
</tbody>
</table>

Table 3: Education Status of Respondents

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under graduation</td>
<td>135</td>
</tr>
<tr>
<td>Post-graduation</td>
<td>74</td>
</tr>
</tbody>
</table>

Table 4: Employment Status of Respondents
Employed & Number of participants \\
Yes & 134 \\
No & 75 \\

<table>
<thead>
<tr>
<th>Future orientation</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur</td>
<td>40</td>
</tr>
<tr>
<td>Family owned business</td>
<td>48</td>
</tr>
<tr>
<td>Employed</td>
<td>102</td>
</tr>
<tr>
<td>Unemployed</td>
<td>3</td>
</tr>
<tr>
<td>Student</td>
<td>16</td>
</tr>
</tbody>
</table>

**Table 5: Future Orientation of Respondents**

4.3 Reliability Test
Cronbach’s reliability being greater than 0.77 indicates a good level of understanding of the research questionnaire.

**Table 6: Reliability Test**

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.77</td>
<td>22</td>
</tr>
</tbody>
</table>

**T - Test**
T test helped to analyze the mean scores of groups. In this case a gender test was done to understand how the gender influenced the data collected.

**Table 7: T – Test for Gender**

<table>
<thead>
<tr>
<th>Gender Selection</th>
<th>Group Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Elements 1</td>
<td>59.985</td>
</tr>
<tr>
<td>Elements 2</td>
<td>62.654</td>
</tr>
</tbody>
</table>

The T test results on gender shown in Table 7 helps to understand the level of influence of gender.

**Hypothesis -** There is significant difference between the choices of men and women, in terms of entrepreneurial choices

**Interpretation -** The standard error mean values show a difference of 0.4046 value signifying that there is a notable difference between the responses of males and females. *Null hypothesis can be rejected.*

**T-Test for Education**
T test helps to analyze the mean scores of groups. In this case test was done to understand how education influences the data collected.

**Table 8: T – Test for Education**

<table>
<thead>
<tr>
<th>Education</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elements 1</td>
<td>131</td>
<td>61.290</td>
<td>6.7590</td>
<td>.5905</td>
</tr>
<tr>
<td>Elements 2</td>
<td>73</td>
<td>62.616</td>
<td>6.7549</td>
<td>.7906</td>
</tr>
</tbody>
</table>

**Hypothesis:** There is a difference in career choices of under graduation students and post-graduation students

**Interpretation -** The standard error mean values show that there is a significant difference between the approaches of post-graduation students as compared to under graduation students thereby rejecting the null hypothesis.

**Figure 4: Influence of Gender**

Figure 4 shows that the questionnaire was filled by 67% males and 33% females and was equally understood by both the genders, there being no response for the ‘Other’ option.

**Figure 5: Influence of Education**
Table 9: Tests of Between-Subjects Effects

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrected Model</td>
<td>41.672</td>
<td>34</td>
<td>1.226</td>
<td>1.133</td>
<td>.297</td>
</tr>
<tr>
<td>Intercept</td>
<td>574.560</td>
<td>1</td>
<td>574.560</td>
<td>531.074</td>
<td>.000</td>
</tr>
<tr>
<td>Elements</td>
<td>41.672</td>
<td>34</td>
<td>1.226</td>
<td>1.133</td>
<td>.297</td>
</tr>
<tr>
<td>Error</td>
<td>182.838</td>
<td>169</td>
<td>1.082</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1550.000</td>
<td>204</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corrected Total</td>
<td>224.510</td>
<td>203</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

One-way ANOVA.

One-way ANOVA was performed to check the significance of the test results. Upon studying the values, interpretation of the values suggests if the null hypothesis is accepted or rejected affect the choices of students after completing education. The values of 0.297 and 0.000 indicate that the null hypothesis has to be accepted and the model is fit. Large number of students who answered the questionnaire are not affected by the elements that are being tested in this study. The elements imply a significant difference in the career preference of students after their course of education. This also indicates that there is no significant relationship between the elements that influence students after completing education.

Regression

Regression is the method of analyzing the impact of one variable on another when conducting a study besides analyzing how the variables contribute to each other. This requires a model that is completely made of linear variables. It is one of the models that are intuitive and interpretative.

Table 10: Regression Results on the Influence of Education Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>4.130</td>
</tr>
<tr>
<td></td>
<td>Personal perception</td>
<td>-.009</td>
</tr>
<tr>
<td></td>
<td>Government policies</td>
<td>-.001</td>
</tr>
<tr>
<td></td>
<td>Financials</td>
<td>-.029</td>
</tr>
<tr>
<td></td>
<td>Non financials</td>
<td>-.014</td>
</tr>
<tr>
<td></td>
<td>Education</td>
<td>-.027</td>
</tr>
<tr>
<td></td>
<td>Student competencies</td>
<td>-.056</td>
</tr>
</tbody>
</table>

Hypothesis: There are elements that influence the emergence of new entrepreneurs

Upon studying the coefficients, it is found that the significance is below 0.05 in various elements like personal perception, government policies, and education. These help us understand that the respondents were significantly affected by these elements the most, and so were their career choices that they make after their primary or bachelor education. Null hypothesis is rejected.

Table 11: Relationship of Various Elements and Students Choices towards Businesses

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>7.098</td>
<td>6</td>
<td>1.183</td>
<td>1.072</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>217.412</td>
<td>197</td>
<td>1.104</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>224.510</td>
<td>203</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The significance level in the ANOVA test of regression also points out the relationship of various elements and the choices made by students towards businesses. This has been studied on a total of 209 respondents and all have been taken into consideration.

5. SUMMARY OF FINDINGS

Statement: The purpose of the research was to study the elements that affect the career decisions made by students after their stream of education, mainly focusing on entrepreneurship and the risks taken by them.

- A total of 209 responses were collected, of which 67% are males and the rest are females.
- The result for the reliability test was above 0.716.
- The first test conducted was the T-Test, which highlighted the difference in responses between the genders, showing that there was extensive difference between the responses of males and females, as 'others' was not recorded in the study. The T-Test on education showed that the difference in the under-graduation study respondents and the post-graduation study respondents was wide, and there was not much of a similarity in the way the responses were filled in. The next test that was done was ANOVA. The test results showed a model that was fit, and a significant figure of 0.297, showing that null hypothesis must be accepted. Regression was the last test that was conducted, which showed us that personal perception, government policies and education had an impact on the career preferences, as compared to other factors. However, all the factors together do not show an impact to the study, when studied along with each other, and the significance was above 0.05, which means that the elements combined together do not have an impact on career preferences. All responses were considered fit and all questions were answered by the respondents.
- The results may not show the impact that was expected to be studied through this project, as the concept also involves various other elements that may not have been studied. Males and females have answered the questionnaires differently and have a different understanding. The students undergoing post graduate education have different responses as compared to those pursuing their under-graduation study.

6. RECOMMENDATIONS

The study was conducted only in Bangalore, India. For studies that may be conducted in the future, it is suggested that other cities of the country, or even other countries are analyzed. This entrepreneurship study also focuses on the student perspective, which can also be covered in terms of those working in other organizations. There are a number of students who opt to work to gain experience before starting their own ventures and this aspect can be considered for future study. This study can also be beneficial to understand the degree of risk undertaken by students in the current environment. It is vital to study whether the students would like to continue to work in an organization and rise to a higher position, or if they would prefer to gain experience and start something of their own.

7. CONCLUSION

The reason for the exploration was to ascertain the components that contribute to the choices that students make towards career, or even entrepreneurship in that sense. An aggregate of 209 reactions were gathered. The outcomes may not demonstrate the effect that was relied upon to be contemplated through this undertaking, as the idea likewise includes different components that might not have been considered. More often than not, the components that influence the choices of setting off to a career are education, personal perception and government policies. Economic support of the new ventures aids to meet the individual requirements of entrepreneurs thereby making the study of entrepreneurship more significant.

REFERENCES


