



A Study on Attitude of Commerce Graduating Students Towards Entrepreneurship in Kerala

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ABSTRACT: India is plagued by high levels of unemployment. Government in collaboration with private stakeholders have initiated numerous interventions to encourage entrepreneurship, however not enough progress has been made up to date. This can be attributed to the lack of understanding of the attitudes and perceptions among the youth towards entrepreneurship. The current interventions are mostly focused on dealing with the most common obstacles such as the cultural and social norms, financial support, regulation, while ignoring to foster the correct attitudes towards entrepreneurship as a career choice. The Kerala state is known to be the high literacy area of India being the highest graduates as well as commerce graduate qualified of the country. The scarcity of employment opportunities in the formal market is the source of the high unemployment rate among graduates. The University students possess a high potential in terms of starting their own businesses ventures due to their levels of education. The question is: Do they possess a positive attitude towards entrepreneurship? Problem of poor attitudes towards Entrepreneurship among graduates will continue to contribute towards high levels of unemployment.

Keywords: Entrepreneurship, Commerce Graduates, Descriptive analysis, Correlation, Regression

I. INTRODUCTION

Since the last decade of twentieth century India has strived for an experienced and unprecedented economic turn-around. The country has witnessed a structural shift in GDP Growth, propelled largely by new investments and the growth of the value enhancing services sector. Now, the Indian Economy is the fourth largest economy in the world and is going to be a dominant force in the new world order in the coming years. With the rest of the world looking up at India and China mainly because of low-cost manufacturing in services, countless business opportunities have opened up in this respect in both the countries. Entrepreneurship seems to be a viable mode for the economic development in a country like India which is still a developing economy.

The constant increases of uncertainties in the world economy, organizations and government reduction in staff strength, and a declining number of corporate recruitment specialists on the budgetary framework have encouraged the appeal for entrepreneurship and new venture creation. In addition, the increased dissatisfaction and disappointment in the corporate employment inspired the allure for self-employment especially among the youths. Entrepreneurship and new venture creation has been alighted as an innovative instrument in an economy, there by generating a productive development and advancement in an economy.

In recent years, researchers and policy makers have concentrated more on entrepreneurship as a scientific field and its direct relationship with economic growth and development. The overwhelming impact of entrepreneurship in any economy cannot be over emphasized. It is said to be a vital instrument for economic transformation and the stimulation of the global development and also a wealth generator for both individual and the economy at large.

The relevance of students and young peoples in any economy cannot be underestimated since they are said to be the future and the determinant of economic viability of a nation. Once the young people understand the importance of entrepreneurship and ready to venture into business, the unemployment rate can be reduced

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and the economy will experience an increase in growth. It is therefore evident that young individuals who are entrepreneurs or starting a new venture for the first time after graduation constitute an exceptionally vital class for the development of entrepreneurial activities on the national economy level. Thus a positive students' penchant towards entrepreneurial activities is therefore paramount in anticipating the entrepreneurship feasibility of a country and an interest push for colleges and universities in building a self-employed mentality of the students.

Entrepreneurship has been considered as one of the most significant factors in the Development of a country. Globally, around 12% of adult population is involved in entrepreneurial activities. Entrepreneurship seems to be a viable mode of contribution to economic development in a country like India, which is still facing the challenges of abject poverty and large scale unemployment. With the rest of the world looking up at India and China mainly because of low-cost manufacturing services, countless business opportunities have opened up in this respect in both the countries. Scholars argue that entrepreneurship in India and China is comparable in many aspects.

Though, the Indian economy has touched new heights in the last couple of years, yet the country's economic development did not exactly pick up in direct proportion to the expansion of facilities in higher education. As a matter of fact, the Indian commerce education, as it exists today in most of the institutions, has little relevance to the industrial and societal needs of the country resulting in large scale unemployment among qualified young commerce and management graduates and wastage of precious human resources.

This trend needs to be corrected at the earliest possible, if sustained development is to be made and the challenges posed by the New Industrial Policy and Globalisation of economy are to be met with success. India needs entrepreneurs in large numbers to capitalize on new opportunities and to create jobs.

The Govt. of India is looking forward to the under 25 population as the future pool of entrepreneurs and job providers. Entrepreneurship and small business development is the major thrust area attracting top priority and full attention of the Central and State Governments in India through its various agencies like the Ministries and Directorates of Industry, Industrial Development Bank of India, District Industries Centres, National Small Industries Corporation and National Institute for Entrepreneurship and Small Business Development etc. These agencies prima-facie provide the much needed encouragement and assistance in various possible ways not only to the management graduates but also to other individuals trying to set up their own enterprises for generating small business of their own and creating for themselves the opportunities for self-employment by providing services consultancy, manufacture, marketing and exports etc.

With entrepreneurship assuming greater significance in the current economic scenario, this study aims at studying the entrepreneurial attitude and perspective of Kerala state based commerce graduating students towards entrepreneurship.

II. OBJECTIVES OF THE STUDY

- To assess the attitudes and perceptions towards entrepreneurship among commerce students in the universities in Kerala.
- To understand entrepreneurial environment of colleges which help to improve their entrepreneurial intention.
- To identify the role of the society in development of entrepreneurial attitudes.

III. RESEARCH METHODOLOGY

The empirical study followed a valid research design, which is a plan according to which research participants will be obtained and information collected from them. The research design assists the researcher to define the study population, selection of a suitable measuring instrument and suitable statistical techniques for data analysis. For the purpose of this study the students of higher education institutions in Kerala district is taken as the sample. A well structured questionnaire was administered to selective students at commerce studies within various universities.

The authors applied non-probability sampling method for the study as it is less complicated and economical on time and financial costs. The sample size is 200 responses from the selected colleges.

IV. DATA ANALYSIS

The total respondents are 200 and in that 66% are male and 34% are female. And out of 200 students ninety percent are aged above 18. Seventy percent of the total population is from urban area. Out of the total samples majority of the respondent's (72%) parents has no businesses background. For the data analysis purposes, researchers used basic descriptive statistics analysis, correlation analysis and regression analysis. The details along with significant results are given below:-

Descriptive Analysis

Descriptive statistics are numerical and graphical methods used to summarize data and bring for the underlying information. The numerical method includes measures of central tendency. The descriptive analysis results are given below,

Table No: 01
Descriptive Statistics on the Basis of Attitudes towards Entrepreneurship
Attitudes towards Entrepreneurship

Attitudes Towards Entrepreneurship	N	Mean	Std. De(S)
Entrepreneurs are largely responsible for new innovations, technologies and products	200	4.28	.940
Academic institutions should encourage students to consider entrepreneurship	200	4.15	.921
I prefer to work for a large company, for better career prospects	200	4.03	1.029
Entrepreneurship is an honourable profession	200	3.85	.994
Entrepreneurs are almost always inventors	200	3.83	.984
I seriously consider entrepreneurship as career option	200	3.68	1.125
It is too risky to start own business	200	3.64	1.008
Entrepreneurship is a good way to make lots of money	200	3.62	1.072
I want to start my own business	200	3.60	1.098
I am a risk taker	200	3.54	1.069
I am too busy with classes to consider starting my own business	200	3.17	1.174
Buying a business is not entrepreneurship	200	3.07	1.195
Owning a franchise is not entrepreneurship	200	2.94	1.141
I can earn more money working for someone else	200	2.90	1.270
Entrepreneurs will do anything for profit	200	2.65	1.396

From the above analysis it is clear that the highest mean 4.28 and 4.15 occurs in the statement Entrepreneurs are largely responsible for new innovations, technologies and academic institutions should encourage students to consider entrepreneurship. There is also agreement with the following statements: I prefer to work for a large company, for better career prospects ($\bar{x} = 4.03$), Entrepreneurs are almost always inventor (3.83), Entrepreneurship is an honourable profession ($\bar{x} = 3.85$), It is too risky to start own business ($\bar{x} = 3.64$), Entrepreneurship is a good way to make lots of money ($\bar{x} = 3.62$), I seriously consider entrepreneurship as career option ($\bar{x} = 3.68$), I want to start my own business ($\bar{x} = 3.60$), I am a risk taker ($\bar{x} = 3.54$). The respondents expressed or neutral feelings towards the following statements: I am too busy with classes to consider starting my own business ($\bar{x} = 3.17$), Buying a business is not entrepreneurship ($\bar{x} = 3.07$), Owning a franchise is not entrepreneurship ($\bar{x} = 2.94$), I can earn more money working for someone else ($\bar{x} = 2.90$), Entrepreneurs will do anything for profit ($\bar{x} = 2.65$).

Table No: 02
Entrepreneurial Opportunities

Entrepreneurial Opportunities	N	Min	Max	Mean	Std. Deviation
It is too expensive to start own business	200	1	5	3.86	.957
need connections to start a business	200	1	5	3.77	1.169
All the good ideas have been taken	200	1	5	3.68	1.069
I understand what is equity finance	200	1	5	3.49	1.042
There are many entrepreneurial opportunities in my specific area of study	200	1	5	3.43	1.091
I am constantly alert to business opportunities	200	1	5	3.34	.969
I have a good understanding of intellectual property	200	1	5	3.29	1.053
I have many ideas for business ventures	200	1	5	3.15	1.092
Entrepreneurial ventures are mainly limited to business ideas	200	1	5	2.95	1.067
Valid N (list wise)	200				

A high mean of $\bar{x} = 3.86$ were calculated for the statement: It is too expensive to start own business. This result indicates that the participants are in agreement with the statement. The same accounts for the statements: I need connections to start a business ($\bar{x} = 3.77$), and All the good ideas have been taken ($\bar{x} = 3.68$). I understand what is equity finance ($\bar{x} = 3.49$). Moderate or neutral views were indicated to the following statements: There are many entrepreneurial opportunities in my specific area of study ($\bar{x} = 3.43$), I

am constantly alert to business opportunities ($\bar{x} = 3.34$), I have a good understanding of intellectual property ($\bar{x} = 3.29$), I understand what equity finance is ($\bar{x} = 3.382$), I have many ideas for business ventures ($\bar{x} = 3.15$).

Table No: 03

Entrepreneurial Environment within the Colleges or University

Entrepreneurial Environment Within The Colleges Or University	N	Minimum	Maximum	Mean	S
More business sector interaction would encourage entrepreneurship	200	1	5	3.83	1.023
Private sector support for student entrepreneurs would result in more college or university based business start-ups	200	1	5	3.77	1.056
Entrepreneurial or business related examples are included in classes	200	1	5	3.64	1.121
A small seed grant or (start-up fund) would encourage entrepreneurship	200	1	5	3.60	1.085
Students are encouraged to pursue entrepreneurship ventures	200	1	5	3.26	1.200
I know how to have access to the assistance I would need to start a new business	200	1	5	3.24	1.126
My high school councillor mentioned entrepreneurship as career option	200	1	5	3.20	1.344
I am aware of programmes the state provides to help people start businesses	200	1	5	3.15	1.088
Valid N (list wise)	200				

The table indicated that more business sector interaction would encourage entrepreneurship ($\bar{x} = 3.83$), Entrepreneurial or business related examples are included in classes ($\bar{x} = 3.64$). Moderate or neutral views were indicated to the following statements: Students are encouraged to pursue entrepreneurship ventures ($\bar{x} = 3.26$), I know how to have access to the assistance I would need to start a new business ($\bar{x} = 3.24$). The statement that were rated the lowest were: My high school councillor mentioned entrepreneurship as career option ($\bar{x} = 3.15$) and I am aware of programmes the state provides to help people start businesses.

Correlation Analysis

The test is used to measure the relationship between two variables by single number.

Table No: 04

Correlation Results

		Attitudes Towards Entrepreneurship	Able to identification of Entrepreneurial Opportunities	College Entrepreneurship Environment
Attitudes Towards Entrepreneurship	Pearson Correlation	1	.524(**)	.293(**)
	Sig. (2-tailed)	.	.000	.000
	N	200	200	200
Able to identification of Entrepreneurial Opportunities	Pearson Correlation	.524(**)	1	.492(**)
	Sig. (2-tailed)	.000	.	.000
	N	200	200	200
College Entrepreneurship Environment	Pearson Correlation	.293(**)	.492(**)	1
	Sig. (2-tailed)	.000	.000	.
	N	200	200	200

** Correlation is significant at the 0.01 level (2-tailed).

The correlation between attitude and able to identification is $r = 0.524$ and significant value is 0.000. The correlation results indicate that the value of r is 0.524, hence it is considered to be strong positive correlation.

In case of 'Attitude towards entrepreneurship' the SPSS Results shows that $r=.293$ and significant value is .000. Here the value r is .293, it is considered to be attitude and entrepreneurship environment with in college or university is positively correlated. Hence, it can be said that the college environment has helped to improve entrepreneurial attitudes of students.

In case of 'identification of Entrepreneurial Opportunities' the result is positive correlation, the value is .492. It means students are able to understand the entrepreneurial opportunities by the way of college environment. Potential environment led to high opportunities.

Regression Analysis

Regression analysis is used to assess the relationship between one dependent variable and several independent variables. 'The entrepreneurial attitudes' is the dependent variable and factors like 'college entrepreneurial environment', 'identification of opportunities. Etc... are independent variables.

Table No: 05
Model Summary for Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.526(a)	.276	.269	5.747

A Predictors: (Constant), Entrepreneurship Environment, Entrepreneurial Opportunities

Table No: 06

Coefficients (A) for Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	34.525	2.738		12.611	.000
	Entrepreneurial Opportunities	.613	.085	.502	7.205	.000
	Entrepreneurship Environment	.065	.099	.046	.655	.013

A Dependent Variable: Attitudes towards Entrepreneurship

The beta coefficient is not different from zero. The p value for beta coefficient of the factor 'identification of entrepreneurial opportunity' is 0.000. the p value for the factor 'college entrepreneurship environment' is 0.013. Both this values are significant at 5% level. Thus we can claim that the attitude of students is positively related to student able to identification and college or class entrepreneurial opportunity.

V. CONCLUSION

As indicated by a high mean values the majority of the respondents agreed with them statement that there are many entrepreneurial opportunities in their area of study, that they have many ideas for business ventures and that it is too expensive to start their own business. The majority of commerce students strongly agree that more business sector interaction would encourage entrepreneurship. The results of various tests conducted shows that the entrepreneurial attitude and entrepreneurship environment with in college or university is positively correlated. Hence, we can conclude that the college environment has helped to improve entrepreneurial attitudes of students.

The youth must be encouraged to start their own businesses and be taught that making mistakes is one way of learning. Therefore, a financial support system which allows for trial and error should be developed for entrepreneurs starting their first business. One way to start such a process and where the emphasis is on relatively higher order ideas is to develop a system for tertiary level students similar to the Student Placement for Entrepreneurs in Education programme within tertiary education institutions in the UK.

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