

Attitude of Management Students towards Entrepreneurship: A Study of Selected Districts of North Karnataka

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Entrepreneurship and small business creation are cornerstones of economic Development throughout the world. Entrepreneurial development today has assumed special importance, since it is a key to economic development. The impact of entrepreneurship education has been recognized as one of the crucial factors that help youths to understand and foster an attitude toward entrepreneurship.

Management education provides a great potential for the establishment of new, small businesses. There is huge opportunity for developing management graduates as entrepreneurs. However, this potential is not exploited to its full extent. The purpose of the research is to examine management student's attitudes towards entrepreneurship, as well as their views of entrepreneurship as career option and interest in entrepreneurial training. This study was conducted in selected districts of North Karnataka. A total of 200 questionnaires were sent to Management students and 152 students were responded. The research shows that majority of the respondents are having positive attitude towards the entrepreneurship.

Keywords: Attitude, Economic development, Career option, Management students, Entrepreneurship.

Introduction

Entrepreneurship has become an everyday buzzword. Policymakers, economists, academicians and even university students are talking about it. Today, entrepreneurship is regarded as one of the best economic development strategies to develop country's economic growth and sustain the country's competitiveness in facing the increasing trends of globalization (Ooi Yeng Keat et. al).

Entrepreneurship and small business creation are cornerstones of economic Development throughout the world. Entrepreneurial development today has assumed special importance, since it is a key to economic development. The objectives of industrial development, regional development, regional growth and employment generation depend upon entrepreneurial development. Entrepreneurs are, thus the seeds of industrial development and the fruits of industrial development are greater employment opportunities to unemployed youth, increase in per capita income, higher standard of living and increased individual savings, revenue to the government in the form of taxation and balanced regional development (Poornima Charntimath 2007).

The impact of entrepreneurship education has been recognized as one of the crucial factors that help youths to understand and foster an Attitude toward entrepreneurship (Gorman, Fanlon & King, 1997 ; Kourilsky & Walstad, 1998). The attitude and knowledge of entrepreneurship are

likely to shape their inclination to start their own business in the future (Wang & Wong, 2004).

Entrepreneurs play an important role in contributing for the development of an economy of a nation. The most industrially developed countries like USA, Germany, and Japan are the evidence that an economy is an effect for which entrepreneurship is the cause. To accelerate the economic development we have to use the entrepreneurship as a tool.

A paradigm shift among graduates is needed, as their contributions to entrepreneurship would stimulate the country's economic growth, and help it move towards becoming a developed nation by 2020. This is especially important, since graduates are the academic intellectuals and have the skill set to advance the future national economy (Collins et al. 2004; Lüthje and Franke 2002; Norfadilah 2003; Nor Aishah et al. 2005).

Global Entrepreneurship Monitor (GEM) (2007) reports a constant growth of entrepreneurial activities in India. There are growing numbers of studies carried out to determine the influence of regional development and economic development, culture etc., on entrepreneurship.

Management education provides a great potential for the establishment of new, small businesses. There is huge opportunity for developing management graduates as entrepreneurs. However, this potential is not exploited to its full extent.

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The purpose of the research is to examine management student's attitudes towards entrepreneurship, as well as their views of entrepreneurship as career option and interest in entrepreneurial training.

Objectives:

- To examine Management students attitudes towards entrepreneurship, as well as their views of entrepreneurship as career option and interest in entrepreneurial training.
- To determine the preference of professions among Management students.
- To know the perception of Management students on their entrepreneurial intentions.

Research Methodology

- SAMPLING DESIGN:** The sampling technique used in this study is probability sampling, simple random sampling technique is used. The sample unit is taken as students of management (MBA) studying in the first and second year of their graduation from the selected districts of North Karnataka. The total sample size is 152. The sample is collected from Management Institutions situated in North Karnataka (Bagalkot, Bijapur and Dharwad are chosen for the study).
- RESEARCH DESIGN:** While determining the various factors, exploratory study was carried out, with the help of secondary data collected from the various magazines, journals and internet. Once the basic factors for the study were found a descriptive study is carried out to know the attitude of the respondents.
- DATA COLLECTION:** Data is collected with the help of primary survey as well as secondary sources. The secondary data was collected from various national and international journals, magazines and internet. The primary data was collected with the help of a close ended, structured questionnaire through web based survey. The questionnaire was adapted with some alterations from an existing project work done by Päivi Karhunen – Svetlana Ledyeva et.al. In Russian students' perceptions of entrepreneurship Results of a survey in three St. Petersburg universities. The questionnaires will be distributed to target respondents through e- mail. The respondents were given one week time to return the questionnaires. The questionnaire was sent 200 respondents but only 152 respondents reverted.
- DATA ANALYSIS:** Collected data were statistically analyzed using computer software package SPSS (Statistical Package for the Social Sciences).

Literature Review

An article written by Krishna Kumar Agarwal & Rajesh Kr. Upadhyay , "Attitude of Youth Towards Entrepreneurship: A

Case Study of Varanasi " in the study it was identified that the youth need a secure, stable and well paid profession and hence, the preferred professions among all are MNCs, Large Domestic Companies and Government sector. Despite having a good image of entrepreneurs, the risk associated with entrepreneurship makes it a low preferred profession among the youth. It means that entrepreneurial activities can be boosted up if the risk associated with entrepreneurship could be brought down with proper policy interventions and support from various stakeholders including government, planning agencies, society and family.

Zaidatol Akmaliah Lope Pihie (2009) in his article "Entrepreneurship as a Career Choice: An Analysis of Entrepreneurial Self-Efficacy and Intention of University Students" the findings indicate that the students had moderate score on all constructs related to entrepreneurial intention and entrepreneurial self-efficacy in the aspects of management, financial and marketing. Moreover, students with positive entrepreneurial aspiration scored higher in entrepreneurship intention and self-efficacy which is significantly different from those who do not have positive aspiration. The students also scored moderately on attitudes towards entrepreneurial career and perceived behavioral control. The findings also indicate that those who perceived entrepreneurship need to be learnt at university have significantly higher mean score on attitudes towards entrepreneurial career as well as perceived behavioral control.

Margaret Emalereta Akpomi (2008) has made a study on "Entrepreneurship Among Graduates-to-be of Business/Management Faculties and Economic Development in Nigeria" The results of the study revealed that only 12.4% of graduates-to-be aspire to own businesses upon graduation. Among the reasons given were that there are no take-off funds/sponsorship, inadequate preparation to face the demands of running businesses and the poor attitude of Nigerians towards purchasing made-in Nigeria goods.

Paivi Karhunen, Svetlana Ledyeva, Anne Gustafsson-Pesonen, Elena Mochnikova, Dmitry Vasilenko have done a study on "Russian students' perceptions of entrepreneurship at three St. Petersburg universities" the study reveals that Russian students consider entrepreneurship as a very attractive career alternative. Moreover, for Russian students to be an entrepreneur is more attractive than for Finnish students. In contrast to Finnish students, there are no notable differences in the attitude toward entrepreneurship between Russian male and female students. Another important finding is that the Russian students are inclined to be more optimistic and to focus more on the positive sides of entrepreneurship than the Finnish ones and in general Russian students emphasized most motivational factors as more important than their Finnish counterparts, supporting the view of Russian students being more entrepreneurially oriented.

It was also identified in the study that when compared Russian

respondents to Finnish students, the largest disagreement was found regarding the riskiness of entrepreneurship, which the Russian respondents perceived as higher. In addition, Russian respondents had somewhat lower opinion on entrepreneurs' morality.

The attitude towards entrepreneurship may be influenced by educational measures. However, despite the recognition that education and prior entrepreneurial experiences may influence people's attitudes towards starting their own business, the impact of entrepreneurship education, as distinct from general education, on intentions towards entrepreneurship has remained largely unexplored (Donckels, 1991; Krueger and Brazeal, 1994).

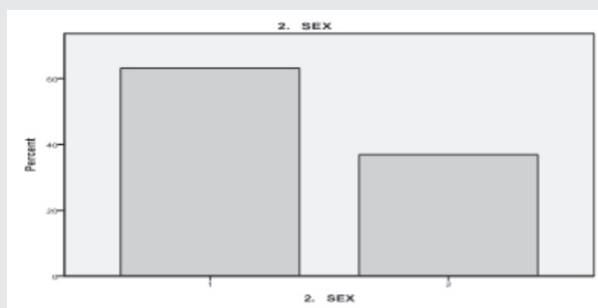
Limitations of The Study:

- The research work is confined to the study of attitude of management students towards entrepreneurship: a study of selected districts of north Karnataka.
- The research work attitude of management students towards entrepreneurship is purely based on the survey of the respondents from selected districts north Karnataka.
- The study is conducted in different management institution existing in selected districts of north Karnataka. The findings of the survey should not be generalised at the national or international level.
- The only three districts of North Karnataka are taken into consideration are Bagalkot, Bijapur and Dharwad.

ANALYSIS AND INTERPRETATION

Table 1: Division of respondents on the basis of gender

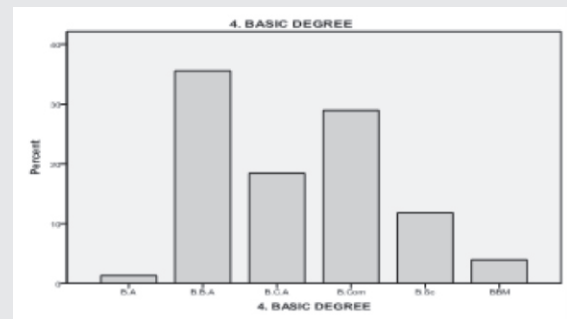
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	96	63.2	63.2	63.2
Female	56	36.8	36.8	100.0
Total	152	100.0	100.0	



Graph- Gender of the Respondents

Table 2: Basic educational background of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid B.A	2	1.3	1.3	1.3
B.B.A	54	35.5	35.5	36.8
B.C.A	28	18.4	18.4	55.3
B.Com	44	28.9	28.9	84.2
B.Sc	18	11.8	11.8	96.1
BBM	6	3.9	3.9	100.0
Total	152	100.0	100.0	



Graph- Educational background of the respondents

The Table No-2 and Graph-2 shows that 35.5% of the respondents are from BBA degree holders, 28.9% of the respondents are B.Com degree holders, 18.4% of the respondents are BCA degree holders, 11.8% of the respondents are B.Sc degree holders, 3.9% of the respondents are BBM degree holders and 1.3% of the respondents are BA degree holders.

Table 3: Table and graph showing the respondents work experience.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	136	89.5	89.5	89.5
YES	16	10.5	10.5	100.0
Total	152	100.0	100.0	

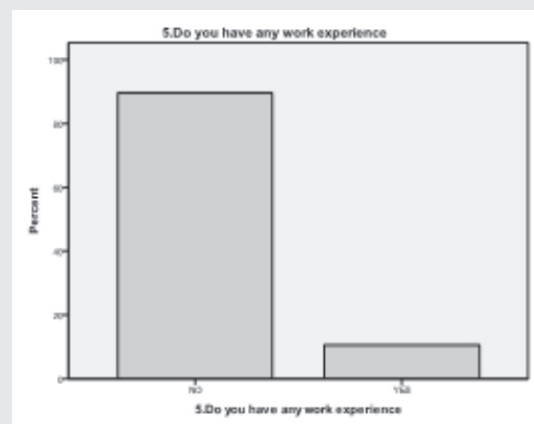


Figure showing work experience of the respondents

The Table No-3 and Graph -3 illustrates that 89.5% of the respondents are not having any prior work experience and only 10.5% of the respondents are having prior work experience.

Table 4. Table and graph showing the percentages of respondents family members as entrepreneurs.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Brother	8	5.3	5.3	5.3
	Father	22	14.5	14.5	19.7
	None	122	80.3	80.3	100.0
	Total	152	100.0	100.0	

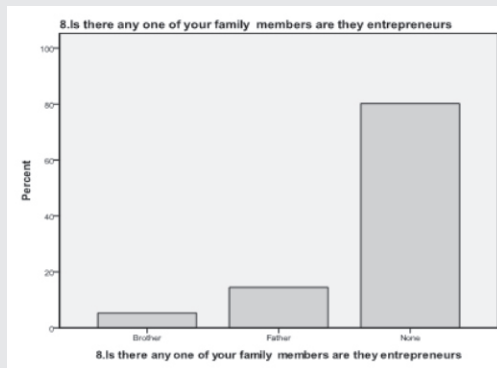


Figure showing the entrepreneurs in the family

The Table No-4 and Graph-4 represents that 80.3% of the respondents are not having entrepreneurs family background, 14.5% of the respondents fathers are entrepreneurs and 5.3% of the respondents brothers are entrepreneurs.

Table 5. Table and graph showing future career plans of the respondents.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Continuation of education	6	3.9	3.9	3.9
	Depending of fate	2	1.3	1.3	5.3
	Desire to be self employed	40	26.3	26.3	31.6
	Joining father's business	14	9.2	9.2	40.8
	Look for employment in private enterprise	56	36.8	36.8	77.6
	Look for employment in public sector	34	22.4	22.4	100.0
	Total	152	100.0	100.0	

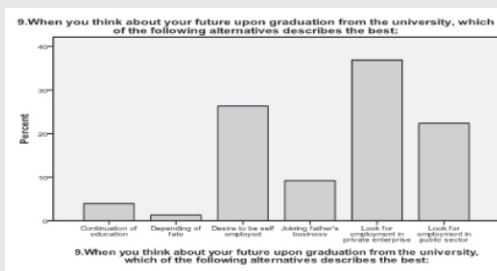


Figure depicting the future career plan of the respondents

The Table No-5 and Graph-5 point out that 36.8% respondents are opined that, they look for employment in private enterprise, 26.3% respondents are interested in self employment i.e. they want to become entrepreneurs, 22.4% respondents are interested in employment in public sector, 9.2% of the respondents wants to join their father business, 3.9% of the respondents wants to continue their higher education and 1.3% of respondents, responded that they depending of fate.

Entrepreneurial Motivation Of Respondents

After analyzing the general characteristics of the respondents, we now move on to analyze their entrepreneurial motivation in more detail. We evaluate the factors that are perceived as most important motivators for starting one's own business. The respondents were asked to assess factors, which might increase their desire to become an entrepreneur according to a five-point scale from not at all (1) to very much (5). Table 5 summarizes the results for the total sample.

Table 6. Motivational factors for entrepreneurship, mean values

Factors	Average Rank
Achieving an appropriate goal in life in accordance with one's abilities	4.04
The liberty of being one's own 'boss'	4.03
Result-based income	3.97
The liberty in choosing one's tasks and duties	3.97
The opportunity to work as a superior	3.84
My skills and capabilities point to entrepreneurship	3.83
Entrepreneurship suits my character	3.75
The liberty of choosing one's working hours	3.71
The opportunity to get rich	3.63

As shown in the Table No-6 the major motivational factors which increase the desire to become entrepreneur are, the achieving goal in life in accordance with our ability and liberty of being one's own boss have got highest rank from the respondents, followed by other factors such as entrepreneurship is result based income, liberty in choosing one's task and duties, opportunity to work as superior, and my skills and capabilities point to entrepreneurship. However, the opportunity to get rich as such was ranked at last preceded by liberty of choosing one's working hours. In contrast, the respondents emphasized more on achieving goal in life.

Barriers For Entrepreneurship

After discussing the motivational factors which increase the desire of the respondents to become entrepreneurs, now we are going to analyze the factors which respondents view as decreasing their desire to become entrepreneurs. The factors which decrease the desire include endogenous and exogenous factors.

Endogenous Barriers: - Endogenous barriers or factors include personal characteristics and skills and these factors are such that the person can control and influence.

Exogenous Barriers: - Exogenous barriers or factors are related to the operating environment of the entrepreneur (Päivi

Karhunen – Svetlana Ledyaeva et.al).

Table 7. Endogenous barriers for entrepreneurship

Factors	Average Rank
My current life situation	3.30
Fear of tough competition	3.13
Lack of a business idea	3.04
Fear of debt	3.01
Insecure income	2.99
Lack of professional skills and competence	2.93
Entrepreneurs are excessively at the mercy of their investors	2.93
Society provides no safety net for entrepreneurs	2.92
Unwillingness or incompetence to market one's professional skills and competence	2.92
Fear of losing one's property	2.87
My professional skills are difficult to commercialize	2.86
Generally negative opinion on entrepreneurship	2.41
Excessively irregular working hours	2.36
Does not suit my character	2.33
Loss of free time	2.33

As shown in the Table No-7, the respondents viewed that, their current life situation as students, fear of tough competition, lack of business idea and fear of debt are the major endogenous barriers or hindrances for becoming the entrepreneurs. In contrast the personal characters like loss of free time, entrepreneurship does not suit my character, and excessively irregular working hours were viewed by the respondents as not particularly big obstacles for entrepreneurship. Some other factors like insecure income, lack of professional skills and

competence, entrepreneurs are excessively at the mercy of their investors and society provides no safety net for entrepreneurs somewhat also hinder from becoming the entrepreneurs.

Exogenous Barriers For Entrepreneurship

The respondents were asked to assess the exogenous barriers which decrease the desire of becoming an entrepreneur. Using the 5-point scale used ranged from not at all (1) to very much (5). Results of the assessment are presented in Table-8.

Table 8. Exogenous barriers for entrepreneurship

Factors	Average Rank
Lack of own financial resources	3.64
Government policies	3.57
Corruption	3.49
Local infrastructure	3.49
Difficulty in getting external finance	3.43
Bureaucracy (Difficulties to obtain licenses and certificates)	3.42
Tough competition	3.28
Procedure of registration	3.28
Taxation	3.22
Difficulties in finding customers	3.20
Lack of labors	3.17
Crime	2.86

As shown in the Table No-8, the respondents viewed that, the major obstacles for becoming an entrepreneur are lack of access to financial resources, government policies, corruption, local infrastructure, and bureaucracy. In contrast the factors like crime, lack of labors and difficulty in finding customers considered as a least influence.

Attitudes Towards Entrepreneurs And Entrepreneurship

The next part of our analysis is focused on respondent's

attitude towards entrepreneurship. The students were asked at what degree they agree or disagree with different statements which characterize general opinion on entrepreneurship, social importance of entrepreneurship, state support of entrepreneurship, entrepreneurial ethics and entrepreneurship's role in creating work places. The students were assessed on these statements using a five-point scale from disagree completely (1) to agree completely (5). The results are summarized in Table -9.

Table 9. Attitudes towards entrepreneurs and entrepreneurship, % of respondents.

Statement	Wholly or partly disagree	Wholly or partly agree	Don't know
Entrepreneurs must be appreciated because they provide work for other people.	3.9	90.8	5.3
Entrepreneurial activities provide society with more benefits than disadvantages.	11.9	75	13.2
State Gov. must support young, beginning entrepreneurs.	7.9	77.6	14.5
State provides excessive support for entrepreneurs.	15.8	63.2	21.1
Entrepreneurs can exploit their professional skills and competencies more effectively in their own businesses than in salaried employment.	7.9	72.3	19.7
Entrepreneurship requires more intellectual than financial capital.	14.4	76.3	9.2
Entrepreneurship is for people who have courage and ideas.	7.9	82.9	9.2
Entrepreneurs take excessive risk.	6.6	88.2	5.3
Entrepreneurs get rich on other people work.	40.8	46	13.2
People who cannot adapt to conventional jobs end up as entrepreneurs.	34.2	35.5	30.3
Entrepreneurs do not care about environmental issues to a sufficient extent.	53.9	21.1	25
Entrepreneurs are dishonest and pursue their own self interest.	47.3	31.6	21.1

As shown in the Table No-9, the statements are broadly classified in to two groups on the basis of distribution of answers. First, there were a number of statements, about which the respondents were relatively unanimous (i.e. majority of them either agreed or disagreed). Majority of the respondents felt that entrepreneurs take excessive risk. Hence, a consensus was found in support to the statement "Entrepreneurship is for people who have courage and ideas". Secondly the statements in which respondents clearly had difficulties in commenting. This is reflected by the distribution of answers across all categories; statements such as people who cannot adapt to conventional jobs end up as entrepreneurs, entrepreneurs are dishonest and pursue their own self interest, and entrepreneurs get rich on other people work. Thirdly, majority of the

entrepreneurs wholly or partly disagree with some of the statements like entrepreneurs do not care about environmental issues to a sufficient extent, and entrepreneurs are dishonest and pursue their own self interest.

Assessment Of Entrepreneurial Education

The last part of our analysis is focused on assessment of entrepreneurial education among the respondents.

Interest in entrepreneurial training

The respondents were asked their interest in participation in entrepreneurship development training programme by asking in a closed ended question yes or no.

Table 10- Table showing respondents interest in participating in entrepreneurship development training programme.

	Frequency	Percent	Valid Percent	Cumulative %
Valid NO	10	6.6	6.6	6.6
YES	142	93.4	93.4	100.0
Total	152	100.0	100.0	

As shown in the Table No-10, 93.4% of the respondents have shown their interest in participating the entrepreneurship development programme.

Preferred components of entrepreneurial training

The respondents were asked to assess the importance of various components of entrepreneurship development training programme could include, using a five-point scale from not at all important (1) to very important (5). The results for the whole sample are presented in Table- 11.

Table 11 -Results of assessment of the components of the program

The component of program	Average Rank
Decision making skills	4.74
Marketing skills	4.67
Managerial skills	4.66
Project preparation skill	4.63
Accounting and financial management skills of the enterprise	4.55
Skills of commercialization of innovations	4.54
Practical information on entrepreneurship	4.49
Information on business opportunity identification	4.43

As shown in the Table No-11, respondents viewed that all the given components were important in the training programme, the least average rank was given by respondents was 4.43. Decision making skills, marketing skills, managerial skills and project preparation skill components viewed as most important by the respondents.

Findings

- 26.3% of the respondents desired to be self employed and 9.2% of the respondents wants to join family business.

- The research shows that majority of the respondents are having positive attitude towards the entrepreneurship. Majority of the respondents felt that entrepreneurs take excessive risk. Hence, a consensus was found in support to the statement "Entrepreneurship is for people who have courage and ideas"
- Majority of the respondents viewed that major Endogenous barriers for becoming entrepreneur are their current life situation, fear of tough competition, lack of a

business idea, fear of debt, insecure income, lack of professional skills and competence and entrepreneurs are excessively at the mercy of their investors.

- Major Exogenous barriers for entrepreneurship viewed by the respondents are lack of own financial resources, government policies, corruption, local infrastructure, getting finance and bureaucracy.
- It is interesting to note that 93.4% of the respondents are ready to undergo the Entrepreneurship Development Programme.
- Respondents opine that the EDPs must contain and give more stress on decision making skills, marketing skills, managerial skills, and project preparation skills.

Conclusion

This study substantially expands the understanding of what drives the intention of management students to become an entrepreneur. The majority of the students have positive attitude towards entrepreneurship and they are interested to attend the entrepreneurship development programme. It indicates that, at present majority of the respondents immediately after completion of their graduation they will not start their carrier by establishing enterprise but in future majority of them are going to be turned as entrepreneurs. To happen this proper policy interventions and support from various stakeholders including government, planning agencies, society and family is very important.

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