



Original Research Article

## An Insight into Entrepreneurial Motivations of Students of Higher Education

Vikrant Kaushal<sup>1</sup>, Sandeep Sharma<sup>1</sup>, Sidharth Srivastava<sup>2</sup>

<sup>1</sup>Research Scholar, Department of Tourism & Travel Management, Central University of Himachal Pradesh.

<sup>2</sup>Assistant Professor, School of Hotel Management & Tourism Lovely Professional University, Punjab, India.

Corresponding Author: Sidharth Srivastava

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### ABSTRACT

Thriving youth population has placed many countries vouching for India as an imminent global power. The precondition to attain such a stature requires substantial contribution from young minds of the country that constitutes the major fragment of its billion plus population. A well informed, motivated and capable individual is fascinated by the idea of self-sufficient, independent and inspiring existence. Such an entity is likely to consider self-employment rather than working for others. More jobs are thus created by such endeavours reinforcing the economic foundation of the country, as a whole strengthening the claims of becoming superior in years ahead. This has led to the curiosity among industries, government and academics to assess the motivation of young minds towards initiating self-owned enterprises. Countries that have encouraged entrepreneurial ventures are in present times economically strong and motivate several other developing countries that wish to choose the path to prosperity of their people. This study aims to uncover attitudes toward entrepreneurial initiations and motivations of students at an important stage of their academic life, which is during their post-graduation. Sample from a newly established university under the Central Universities Act 2009 based in Dharamshala as its temporary academic location has been collected. The sample has been drawn from the students pursuing post-graduation programs in the university. The study attempted to determine the awareness and willingness of students to become entrepreneurs after the completion of post-graduation studies, revealing their motivations toward becoming business starters. This research is significant not only for the institutions of higher education preparing students to take up leading roles in various areas, but also for the policy makers and observers from different industries keen on developing entrepreneurial talent.

**Keywords:** University, entrepreneur, motivation, academics, higher education.

### INTRODUCTION

The concept of entrepreneurship has been variably defined by number of authors, who have viewed it in different frame of references. If the term is interpreted in context with words akin to it from different languages, several views can be identified. Swedish variant to it is 'företagsam', which

is interpreted as 'getting things done' and reference word to entrepreneurship in Finnish 'yrittäjä' means someone who tries (Carsrud & Brannback, 2007). Some have referred entrepreneurs to be risk takers, innovators, assemblers, to others entrepreneurs are proficient entities in scales of production. Carsrud and Brannback

(2007) listed five forms of innovations that an entrepreneur might assume. First innovation has to do with a new product to the market or at least of new quality, which differentiates the entrepreneur from the existing competition in the market. This is essential for gaining leverage and often considers the niche customer segments anticipating unexplored opportunities. Second innovation relates to the involvement of new production methods, which positively affect efficiency of the firm. It has to be noted that union of efficiency and effectiveness in this type of innovation, regardless the new idea is a scientific feat or not, can yield better outcomes and develop credibility. Exploration of uncharted territories is the third form of innovation that an initiator can contemplate. New markets not considered till now may offer avenues of untapped potential. However it is suggested that an early SWOT analysis is carried out before choosing a course of action. An early assessment of internal capabilities and environmental conditions can better equip the beginners and help in avoiding pitfalls. Fourth is identification of source of raw material. If a glimpse is thrown at the inception history of today's market leaders, their ability and success in discovering sources of obtaining raw material guided their way through the market and made them what they are today. Most of the resources are limited, which is making entrepreneurs move toward generation of raw materials or venture into those businesses where that raw material can be created. Fifth innovation is the establishment of organisation that carries individuals willing to place efforts in common interests.

Several leading institutions of higher education have been encouraging entrepreneurial set offs and develop curriculums that are entrepreneurship oriented. Entrepreneurial case studies are

frequently used as pedagogical instruments in business schools. These institutions seek to attract talented enrolments and the performance of the students is reflected in form of research, higher paying jobs and new entrepreneurial ventures, adding all to the reputation of college or university. Students are often motivated to become self-earners by the academic atmosphere in the institutions. Post graduate students are more likely to get influenced as professional programs are designed to infuse the technical knowledge, spirit and advantages of self-containment, and related professional aspects of starting enterprise, above all the alumni that have been successful in various arenas of business become students' idols. Universities have also initiated certain programs focused on honing entrepreneurial talent of individuals. The education focused on entrepreneurship strives for fuelling the notion of self-dependence with suitable processes of learning in place (Garavan & O'Conneide, 1994).

In broader sense, the incubation of entrepreneurial ventures creates a huge scope for the development of the country as a whole. From 'Forbes' list of "The World's 12 Most Powerful Entrepreneurs Of 2013" (<http://www.forbes.com/sites/vannale/2013/10/30/the-worlds-12-most-powerful-entrepreneurs/>) it is easy to identify an association between the entrepreneurs and the country they represent, as seven of twelve entrepreneurs are only from United States of America. Countries that have encouraged entrepreneurial ventures are in present times economically strong and motivate numerous developing countries that wish to choose the path to prosperity of their people. The stress on increasing entrepreneurial start-ups are considered to be an important strategy to revive the economy, fostering growth and deal with the problem of unemployment in developed countries (Teixeira & Forte, 2007).

At the level of higher education the students are oriented toward entrepreneurship in various ways; they are being guided with the technical and psychological perspectives of entrepreneurship. It is also important to consider that the chances of success when initiating a new venture are limited. A common view is of eighty percent failure rate when starting a new venture, which is alarming enough and certainly poses an argument before the academic bodies and entrepreneurship development programs that place sturdy efforts in converting most of the manpower into entrepreneurs. So the onus falls back on the institutions who have been actively engaging their resources toward building entrepreneurial talent. This study aims to uncover motivations and expectations for becoming entrepreneurs. The study looks at the perceptions of the post graduate students who are at a critical juncture of making decisions about their future course of action related to career.

Several researches have been carried out towards entrepreneurial attitude and a study conducted by Vesper and Gartner (1997) conducted research to determine entrepreneurship program quality of ranked universities. Collins and Hannon (2004) assessed gaps between students' entrepreneurial needs and university capabilities. Another research was conducted to highlight background and features of entrepreneurial development program (Leitch & Harrison, 1999). Importance of qualifications for becoming successful entrepreneurs is often debated as Perman (2004) focused on those entrepreneurs who earlier left their studies and later returned back to complete their degree courses.

**Research Methodology:** The population of the study consists of students pursuing post graduate degree courses in Central University of Himachal Pradesh. The

university is relatively new and was formed in 2009 under the Central Universities Act of 2009, running in a temporary campus based in Shahpur, Kangra. The space constraints have left various departments to enrol limited number of students and several programs are yet to commence. Due to these factors a smaller sample size was used and 50 questionnaires were distributed, however only 42 response questionnaires were considered and rest 8 were found to be inappropriate and rejected. Judgmental sampling was used for the survey. The responses were measured on five-point Likert scale representing (1- Strongly Agree, 2- Agree, 3-Neither agree nor disagree, 4- Disagree, 5- Strongly disagree) the extent of agreement or disagreement on statements included to analyse entrepreneurial motivations, awareness and students' demographic information.

**Entrepreneurial Motivations and Awareness:** Entrepreneurship is a much discussed concept on and off the campus environments. In the initial education period, say prior to graduation or during school standard, the ideas of entrepreneurship may not be evolved as much they grow later, that apparently is one of several reasons for focus of such studies in higher education. For an individual with a family background of business the real time exposure is likely to be higher than someone from families with working parents, which may also reflect in the way these two categories of youngster perceive the idea of entrepreneurship. Carrying the family business is a tradition in certain communities in India, which is embedded in their ancestral roots. A much debated area in entrepreneurial studies remains the skills and attitude that a person should possess and exhibit to be a successful entrepreneur. Leadership and decision making skills are a pre requisite to be credible starter, however there is a huge list of adjectives to describe

an entrepreneur, who is more likely to be successful in uncertain market conditions. Motivations to go for a new start-up may be several, the most frequent relates to financial aspects, some motivations are entrenched in continuing the family tradition, many entrepreneurs consider it a way to remain close to the family and be able to spend desired time with them. Independence is a critical reason for many to move to a decision of starting business. Very often it is found that the former employees after gaining experience are motivated and run their own business, often using the networks developed while working with previous employers. Entrepreneurs are drawn to the idea of creating self-identity that is well recognised in the society and also an anticipation of rubbing shoulders with the renowned entrepreneurs. Initial curiosity and zeal on occasions take a nose dive when self-assessment is not effectively carried out or is clouded by unguided passion. A careful entrepreneur realises the strengths and weaknesses and makes decision taking into consideration the opportunities and threats in the market environment, putting it more precisely- an entrepreneur is well aware in taking informed decisions. The study has considered motivational factors for entrepreneurship including self-dependence, income prospects, knowledge, jobs creation, and security on one hand and factors like risk awareness, capital availability, known entrepreneurs, investment level, to garner an insight of the awareness of students towards entrepreneurship on the other.

**Findings and Discussion:** To determine the motivations of post-graduation students, questionnaire was divided into two sections. First section was designed to identify motivations by using statements referring to individuals' attitude towards self-dependence, income, skills utilisation, family, security, and social recognition.

Secondly the awareness part comprised of factors like perceived assurance to running business, availability of capital, risks awareness and acquaintance with known people doing business. The responses for the entrepreneurial motivations give an account of the factors that spur individuals' to start up their self-owned and managed enterprise. There were 13 female respondents and 29 male constituting total responses to 42. The respondents showed inclination toward self-independence, also the option of being able to use self-possessed skills and knowledge to business got favourable response. It can be inferred that the young population at this academic level aspires to be liberal and are more confident toward initiating a new idea. The root for such yearning could be the portrayal of stressful office life through various ways or could be the reviews of the people who have had hard experience working in challenging conditions. This also raises concerns about the working atmosphere of various organisations. After all, these young respondents are expected to evolve into future managers and then they may find themselves leading subordinates. Most common awareness factor is familiarity of someone or close acquaintance that is successful in the entrepreneurial endeavour (Mean 1.85, Std. dev .64). A familiar entity in business can motivate and guide the individuals in business start-up. Another item that received favourable response was the awareness related to the risks related to starting new businesses (Mean 2.16, Std. dev 1.05). Responses related to availability of capital to start a business found moderately negative agreement; similar was with the response item of unsureness of knowledge of running business. Further probing on as to how and why the participants are certain about running a new venture was not done and could be researched in future.

Entrepreneurial Motivation Scale Items Summary					
	N	Minimum	Maximum	Mean	Std.Deviation
I want to be self-dependent and do not wish to work under someone.	42	1.00	5.00	2.2381	1.18547
I want to be an entrepreneur because of the better income prospects.	42	1.00	4.00	2.2857	1.06578
I will be able to use my skills and knowledge more effectively if I do my own business.	42	1.00	4.00	1.9524	1.10326
More than money I want to create jobs by starting business.	42	1.00	5.00	2.4762	1.04153
To remain close to family is primary reason I want to be an entrepreneur.	42	1.00	5.00	2.8571	1.13849
I feel business option is more secure than having a job.	42	1.00	5.00	2.4524	1.13056
I am not sure how to run a business.	42	1.00	5.00	3.1429	1.13849
If I start I would begin with moderate to high investment.	42	1.00	5.00	2.3571	1.07797
I have sufficient capital to start and run a new entrepreneurial venture.	42	1.00	5.00	3.0952	.95788
I am well aware of risks related to being an entrepreneur.	42	1.00	5.00	2.1667	1.05730
Society would give more respect if I am an owner of my own business.	42	1.00	5.00	2.4048	1.14890
I know some people closely who started their business and are now doing good.	42	1.00	3.00	1.8571	.64662

## CONCLUSION

Study indicates that the participants felt that they could more effectively put their knowledge and skills to a business of their own. Respondents wished to be self-independent and that motivate them to choose entrepreneurship option. Self-identity, respect and financial gains are important, also that students are familiar with successful entrepreneurs as close acquaintance. The study interprets this close acquaintance as apparent assistance for individuals in choosing right directions and avoiding pitfalls if decision on taking off on entrepreneurial journey is considered. Participants appear to be certain about the risks that accompany when starting a new business. The research made a limited attempt to determine respondents' attitude toward entrepreneurial risks, which leaves scope for future research. However it should be inferred that the students at post-graduation level are conscious about risks and would consider informed decisions while choosing entrepreneurial option. It also appears that respondents were assertive toward running business. The study targeted a smaller sample size, which limits the generalizability and may be considered as a limitation of the study, more effectiveness can be reflected by splitting the study programs and then specifically examining motivations separately of students with

different curriculum orientation. This study didn't consider dividing the students program wise due to the smaller size of university, number of enrolled students. Similar studies at with greater sample size and studies in more number of institutions can yield more elaborate perspectives of entrepreneurial motivations.

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