

# Entrepreneurial Intentions of Graduating Students in Non-metro Cities of Karnataka

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## Abstract

*Purpose: The purpose of this study is to investigate whether the type of graduation, family background and geographical area influences the entrepreneurial intentions of graduating students. Further the attempts explore the reasons for such influence. Methodology/approach- a total of 202 students from Tumakuru city participated in the survey by responding to google forms as well as structured questionnaire via offline. Findings- The tentative findings show that family background of the respondents motivates/demotivates the entrepreneurial intentions more than geographical area and the type of graduation. Originality/value- Many studies have focused on the entrepreneurial intentions based on behavioural theories and different economies, this study particularly focuses on the students studying in one of the Non-metro city in Karnataka.*

**Keywords:** Entrepreneurial intentions, graduate students, family back ground, non-metro cities.

## 1.0 Introduction

In the present economic conditions, entrepreneurs play a role of boosters for the growth of economy as well as society. On one side they minimize the load on employment competition and on the other side they create employment opportunities. Their contributions are observed not only in terms of employment generation but also product innovations, process innovations, innovations for non-renewable energy conservation to identifying the ways and means to utilize the alternative sources of natural resources. Over a period of time entrepreneurship is perceived as a kind of strategy to combat with employability. The growing importance for entrepreneurship is many a time influenced by raise in various economic issues ranging from joblessness to pandemic conditions. Present generation is understood to be someone who does not follow lengthy process to obtain success but they are known for all kinds of jugaad to reach

the goal within a small period of time. This attitude may be motivating them to become more self-employed than working under any one. Willingness to work for self is not the only criteria to become entrepreneurs, there are many other aspects which motivate or demotivate one to become an entrepreneur. The present education system in India is also focusing more on entrepreneurship and skill development for the same. In this connection New Education Policy also stresses more on skill development along with knowledge transfer. The government is also encouraging entrepreneurship through various initiatives viz Startup India, Stand up India, Make in India and 'Atmanirbhar Bharat' to name some.

The Figure 1 shows that the number of startups in space technology and allied sector is growing tremendously. This shows that the startups are not only focusing on immediate revenue model but also focusing on path breaking innovations. Hence entrepreneurial intentions are also influenced by the type of graduation and type of knowledge one is possessing. The present study focuses on the variables

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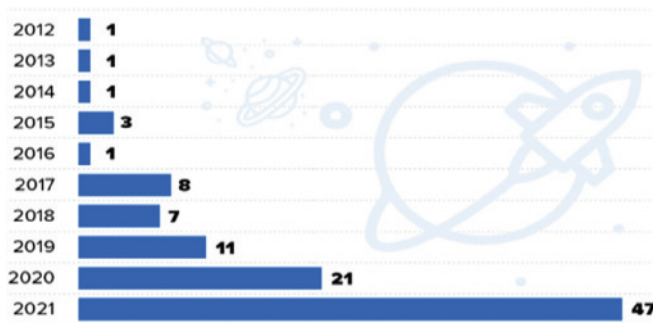


Figure 1: Status of space start-ups from 2012 to 2021<sup>2</sup>

influencing the entrepreneurial intentions of young generation. Non-metro cities are lesser known for employability as well as entrepreneurial option. This may be to their geographical disadvantage also.

Building entrepreneurial ecosystem not only includes provision of physical infrastructure but also capacity building of present and prospective entrepreneurs. Understanding the requirements of budding entrepreneurs becomes easy when their responses related to the needs and wants related to enhancement of entrepreneurial intentions are recorded and analysed considering all possible criteria. In the present study the focus is on the graduating students from different disciplines i.e., science, art, and commerce.

## 2.0 Literature Review

In this literature, many authors have tried tested the entrepreneurial intention among the students. Tatiana Iakovleva<sup>10</sup>, NoorsehaAyob et al.<sup>15</sup>, suggested future research on the social entrepreneurship may employ longitudinal design in order to establish causal and probable reciprocal relationships among the construct. Dr. EmrahTala<sup>3</sup> examined general high school graduates were more likely to have entrepreneurial intention than other high school categories. R. Ponmania et al.<sup>13</sup>, this study finding showed there were no significant differences in terms of entrepreneurial intention between science and non-science students. The female population is equal in size to male in higher learning institutions. However, their inclination towards venture is less motivated. J.Krithika, Dr.B.Venkatachalam<sup>7</sup> found that family background and subjective norms play a major role and influence on entrepreneurial intention among the business students in Bangalore. P. Jayalakshmi and A.S. Saranya<sup>11</sup> their study found that under graduate students have more risk taking propensity than post graduate students. Few authors alsoanalyzed the Student of University has higher level of influence in all the factors which was tested statistically and it is proved students have higher level of Entrepreneurial

intension and they want to be an Social Entrepreneur in the future. ManjibBhuyan and Prachi Pathak<sup>9</sup> suggested that further exploring can be done by analyzing the impact of family, attitude and other cognitive behaviour of university students and a new cross cultural study of university students between India and other developing country. Imran Anwar and Imran Saleem<sup>5</sup> Effect of Entrepreneurial Education on Entrepreneurial Intention of Indian Students: discovered three of the four factors Personal Attitude, Entrepreneurial Capacity and Entrepreneurial Education influence the EI, which is consistent with some other studies thus confirms the robustness of this study. Kehinde A. Ojewumi and Damilare A. Fagbenro<sup>8</sup> the study concluded that self-efficacy and social network have influence on entrepreneurial intention among polytechnic students. Imran Anwar and Imran Saleem<sup>6</sup> suggested study can also be done taking some entrepreneurial traits and contextual factors, e.g., entrepreneurial opportunity perception and social capital, while measuring EI among students. Hanieh Alipour Bazkiaei et al.<sup>4</sup>, suggested that entrepreneurial intention can be enhanced by working on students' attitude toward entrepreneurship, keeping their personality traits in contact, and fostering them via education to adopt an attitude towards entrepreneurship. Alisha Soni and Kanupriya Misra Bakhru<sup>1</sup> this study specifically focuses on CA students; further research can explore comparative study between students studying different professional courses. The study did not consider the execution of entrepreneurial behaviour, which can be taken as one step further in the formulated model. Saifullahi Adam Bayero et al.<sup>14</sup>, suggested quality EE helps in mounting student's EI and build their EA, which in the end will develop a desire to start their own business there by reducing the unemployment level significantly. EE: Entrepreneurial Education, EA: Entrepreneurial Attitude. Tan OweeKowang et al.<sup>16</sup>, finding from the study suggested all the five holistic entrepreneurial intention determinants (entrepreneurial attitude, subjective norms, perceived behavioural control, entrepreneurial education, and personality traits) are significantly correlated with entrepreneurial intention. Few Chinese researchers also examined demographic information such as ethnicity and gender could also be considered in influencing entrepreneurial intention.

## 3.0 Objectives

- To investigate the factors influencing entrepreneurial intentions of graduating students of a non-metro city.
- To examine the association of gender and course pursuing on entrepreneurial intentions of graduating students of a non-metro city.

## 4.0 Methodology

Tumakuru is fast developing situated around 60 km from Bangalore. It is also becoming popular as one of the education hub. There are around 13+ engineering colleges, 30+ commerce arts and science colleges in Tumakuru. Also there are 2 medical colleges and many nursing and paramedical colleges. Also Tumakuru has one Government university. Since the education profile of the city is compelling and ideal for studying the entrepreneurial intentions of graduating students, the same is selected for this study. Around 202 students were selected as sample and responses were collected based on purposive sampling. Students studying in engineering, commerce, arts and science took active participation and responded to google form and structured questionnaire. The data is analysed using excel and SPSS.

Reliability and validity – The cronbach's Alpha is 0.908 for all items (28).

## 5.0 Analysis

As per Table 1 almost equal proportions of male and female respondents represented the sample of 202.

**Table 1: Gender wise distribution of the sample**

	Frequency	Per cent
Female	112	55.4%
Male	90	44.6%
Total	202	100%

Table 2 depicts the family business back ground of the sample. Majority of the respondents come from non-business background. This information is further analysed for its association Entrepreneurial intentions of respondents.

**Table 2: Family back ground**

	Frequency	Per cent
Business	52	25.7
Non business	150	74.3
Total	202	100.0

Classification of the sample based on family income states that almost all income level families are represented in the sample are shown in Table 3.

The results of Pearson Chi square test states that there is a significant association between family background and gender on entrepreneurial intentions of the sample.

**Table 3: Family annual income**

	Income (Rs.)	Frequency	Per cent
Valid	< 100000	54	26.74
	100001-300000	33	16.31
	300001-500000	20	9.9
	500001-1000000	40	19.81
	> 1000000	55	27.23
	Total	202	100.0

**Table 4: Association of type of graduation on EI**

EI	Type of graduation	
	value	Asymp. Sig. (2-sided)
Professional goal to become an entrepreneur	37.213	.000
Firm intention to start a firm someday	64.938	.000
Ambition to become an entrepreneur	27.245	.007
Follow a successful entrepreneur	93.699	.000
Enjoy risk taking	41.267	.000
Employment creation	7.750	.021
Financial support from the family	20.268	.000

## 6.0 Discussion and Conclusions

The present study attempted to evaluate the factors associated with entrepreneurial intentions of graduating students. Since Tumakuru is a fast growing city situated nearby capital city of Karnataka state, it is evident that most of the employment opportunities available. This availability of employment opportunity many a time lead to reduce the urge for becoming an entrepreneur. The present generation is known for believing in quick results or quick success which may motivate them to come out with innovative ways of performing various tasks. This behaviour is often short-lived and they easily get distracted from the main intention due to the problems they face during their life journey. There are many studies which say that theory of planned behaviour is applicable while studying the entrepreneurial intentions, the present study also ratify the same. The results of the analysis shows that more than the nature of education they are getting and the area where they are studying; it the gender and family support which matters more. The present

**Table 5: Association of family background and gender on EI**

EI	Pearson Chi square			
	Family background		Gender	
	value	Asymp. Sig. (2-sided)	value	Asymp. Sig. (2-sided)
Professional goal to become an entrepreneur	9.334	.009	10.031	.007
Serious thought of starting an enterprise	38.049	.000	13.794	.001
Desire to be independent	30.350	.000	3.389	.184
Ambition to become an entrepreneur	2.785	.248	.436	.804
Increasing family prestige	1.305	.728	1.664	.645
Follow a successful entrepreneur	1.329	.515	.888	.641
Enjoy risk taking	.619	.734	.531	.767
Personal growth and development	5.155	.076	2.714	.257
Employment creation	7.750	.021	.308	.857
Opportunities in the market	5.429	.143	4.788	.188
Innovative	4.856	.088	.647	.724
Financial support from the family	20.268	.000	21.850	.000
Infrastructure support from the family	21.073	.000	18.383	.000
Moral support from the family	19.714	.000	17.614	.000

study does not rank the intentions based on their selection by the respondents, however, it could be observed that the urge to entrepreneur basically depends of how they see the risk involved in the entrepreneurial journey. Many a time's parents have major influence on the entrepreneurial intentions of their ward. Since majority of the graduating students may not represent strong business families, their entrepreneurial intentions also may not be so strong. The graduation courses they are pursuing also may not strongly support the entrepreneurial intentions. Except B.Arch and B.Tech all graduation courses are more employment driven. This also might have major effect on their entrepreneurial intentions. The graduating students have less awareness about the availability of the entrepreneurial opportunities. Students who are pursuing law could be properly educated about 'Lawpreneurship' and students who are pursuing medical and paramedical courses can be trained about 'Doctrepreneurship' etc., This kind of training may help them to enhance their entrepreneurial skills. Further research may be conducted to evaluate the factors contributing the enhancement of entrepreneurial skills of graduating students. Further advanced statistical tools like factor analysis can be conducted to evaluate the EE, studies can also focus on specific set of graduating students. This study cannot be generalized, as it focuses only on the respondents from a non-metro city.

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