



An Empirical Study of Youth Inclination Towards Entrepreneurship as an Occupation in Mumbai Region

KEYWORDS

Entrepreneurship, Awareness level, Motivation, Challenges

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ABSTRACT *Self employment has long been considered as fruitful activity with many benefits associated with it. It has its own advantages like limitless earnings, self reliance and important source of livelihood for many aspiring youth. India has considerable chunk of youth manpower. It is this youth that will be major driving force of economy in years to come. Today, Youth has vision to take India to elite club dominated by countries like USA, UK, China etc. With emphasis on make in India campaign, the current government led by Shri Narendra Modi has kickstart a country wide Youth Encouragement Programme. Government has earmarked Rs. 1,000 crore (SETU - Self Employment and Talent Utilisation) for youth development in 2015 budget. The country need youth to take up entrepreneurship challenges like Bansals had taken up while setting up Flipkart as an e-commerce model to become a billion dollar giant setup.*

The research paper is an attempt to find interest and awareness level of youth to set up own business venture and what practical difficulties they perceive for such venture. We also aim to provide some suggestions through our paper to authorities to inculcate entrepreneurship ideas among country's youth population.

1. Introduction

"In 2014, 3% of startups in all ventures were founded by students straight out of college while that number was less than 1% in the year 2008. The number of startups has risen 3-fold during this period".

--National Knowledge Commission (NKC) Report

According to the Economic Survey 2014-15, India has emerged as the world's fourth largest hub for startups with over 3,100 of them, driven by "hyper growth" in technology and software products in the country. Entrepreneurship can be viewed as a creative and innovative response to the environment and an ability to recognize, initiate and exploit an economic opportunity. An entrepreneur is one who organizes, operates and assumes the risk of a business venture. The term "entrepreneurship" comes from the French verb "entreprendre" and the German word "unternehmen", both mean to "undertake". The salience of Entrepreneurship in India has intensified in recent times, particularly with the rise in knowledge-intensive services. New entrepreneurs who do not belong to traditional business communities have begun to emerge in large numbers. Entrepreneurship is the life blood of any economy and it applies more to a developing economy like India. It may be construed that the entrepreneurial contribution spells the difference between prosperity and poverty among nations.

2. Review of Literature

Manocha Sanjay (2012) concluded in his research paper 'Innovation and Entrepreneurship in Today's Scenario' that to sustain the ever increasing demand and supply of products, right entrepreneurship skills and innovation are much more needed. Without new business ideas and technology to support it, no consumer demand will be fulfilled completely. National Knowledge Commission (2008) interviewed 155 successful entrepreneurs from various cities of India and found out that 63% of the entrepreneurs were self-financed, while other sources included banks, venture capital (VC), angel investors and state finance corporations. Among those who approached banks, a majority (61%) did

receive bank finance. So, finance from banks was still a challenge for many entrepreneurs, mainly at start-up stage.

R. S. Kanchana, J .V. Divya and A. Ansalna Beegom (2013) found out many other challenges faced by new entrepreneurs in India such as lack of patience in solving problems, lack of sustained motivation, Inability to dream and use subconscious, developing vision and ideas, raising capital, assembling a team, finding the right employees, overcoming competition, unforeseen challenges and expenses, keeping up with industrial changes and trends and exiting the business. Balsara F. and Taneja G. (2013) in their report 'The EY G20 Entrepreneurship Barometer 2013' suggested some measures to smooth the path for Indian entrepreneurs. For example, the regulatory system could be streamlined, while the red tape faced by entrepreneurs could be reduced, regulations governing the export of goods remain too burdensome, the tax system could be made less complicated, standards of education need to be enhanced and research and development (R&D) activity needs to be ramped up.

3. Objectives of the study

Following are the objectives of the study.

- to study and understand the awareness level and problem areas of the sample respondents in entrepreneurship.
- to give suitable conclusion and suggestion on the basis of the study.

4. Scope of the Study

For the purpose of this study, 200 students are taken as sample from two colleges of Mumbai. 100 students are participated from the college of Western Mumbai and another 100 students are participated from the college of South Mumbai.

The Period of the data collection for the study is February and March 2015.

5. Limitations of the Study

The present study has some limitations like:

- It is restricted to only college going students of Mumbai Region.
- Sample size of 200 students is taken for the study.

6. Research Methodology

The study is conducted by collecting data through primary sources like questionnaires and interview. All the datas are properly classified and arranged in tabular form and simple percentage method is used as statistical tool for this study.

7. Results and Discussions

Table 1: Profile of Sample Respondents:

Sr.No.				
			In Numbers	In %
a)	Gender	Male	142	71
		Female	58	29
		Total	200	100
b)	Family Income (Monthly)	<= 50,000 Rs.	38	19
		51,000 Rs. - 1,50,000 Rs.	96	48
		1,50,001 Rs. - 2,50,000 Rs.	58	29
		>= 2,50,001 Rs.	8	4
			Total	200

It is evident from the table 1 that sample respondents consist of 71% of males and 29% of females. It is also found out that 48% of sample come in the range of family income of 51,000 Rs. to 1,50,000 Rs, followed by 29% belong to 1,50,001 Rs. to 2,50,000 Rs.

Table 2:

Q.2. Do you know the successful stories of entrepreneur like Flipkart and Infosys Founder?	YES		NO	
	In No's	In %	In No's	In %
	168	84	32	16

From the above table 2, it is cleared that 84% of sample respondents know the successful stories of entrepreneurs like Flipkart and Infosys Founder, while remaining 16% of sample do not know.

Table 3:

Q.3. "Entrepreneurship is a risky option as compared to traditional businesses and services"- Are you aware of this?	YES		NO	
	In No's	In %	In No's	In %
	124	62	76	38

It is found out from the table 3 that majority (62%) of samples are aware that entrepreneurship is a risky option as compared to traditional businesses and services.

Table 4:

Q.4. Are you aware of concepts like seed capital or venture capital in terms of finance?	YES		NO	
	In No's	In %	In No's	In %
	54	27	146	73

Above table 4 shows that nearly three-fourth (73%) of sample respondents are not aware of concepts like seed capital or venture capital in terms of finance.

Table 5:

Q.5. Are you aware of various financial and other assistance available to entrepreneur by banks, financial institution and government?	YES		NO	
	In No's	In %	In No's	In %
	58	29	142	71

It is cleared from the table 5 that majority (71%) of sam-

ple is not aware of various financial and other assistance available to entrepreneur by banks, financial institution and government.

Table 6:

Q.6. Whether any subject or curriculum designed especially on entrepreneurship at degree level in Colleges?	YES		NO	
	In No's	In %	In No's	In %
	8	4	192	96

Almost all the sample (96%) accepts that, no subject or curriculum designed especially on entrepreneurship at degree level in Colleges.

Table 7:

Q.7. Do you know the courses or training facility on entrepreneurship by any educational institution or university?	YES		NO	
	In No's	In %	In No's	In %
	48	24	152	76

It is cleared from the table 7 that nearly three-fourth (76%) of sample does not know the courses or training facility on entrepreneurship by any educational institution or university.

Table 8:

Q.8. Do you have a family support for choosing a entrepreneurship as a career option?	YES		NO	
	In No's	In %	In No's	In %
	26	13	174	87

Majority (87%) of sample respondents say that they do not have family support for choosing a entrepreneurship as a career option.

Table 9: Problem Area in Entrepreneurship (In %)

	Unwillingness to take risk	Lack of Family Support	Less Knowledge as a career	Problem of Owned Capital	Any Other	Total (%)
Total	14	28	32	26	0	100

It can be seen from the table 9 that majority i.e. 32% of sample say that less knowledge is their main problem area in becoming entrepreneur, next 28% of sample say lack of family support as their problem, 26% say problem of owned capital and remaining 14% are unwilling to take risk.

8. Conclusion and Suggestions

Over the years, entrepreneurship has proven to be critical to India's growth and development, given its increasing significance and visible impact in wealth-creation and employment-generation. Today, youths are facing multiple challenges in taking up the role of entrepreneur such as lack of conceptual and practical exposure, lack of specialized subject or course in entrepreneurship at college level, lack of motivation, less family support etc. So it is necessary to overcome these challenges in order to conduct an efficient business. To promote entrepreneurship means to encourage people to be self-reliant in taking economic decisions and creating wealth and employment. Therefore, all stakeholders must join together to promote the entrepreneurship in the following manners:

Entrepreneurship should be included in course curriculum in Schools and Colleges.

Entrepreneurship training institutes to be started by universities. So that, young students can be taught the nitty gritty of taking up business ventures.

Bank should extend loans with low interest rates for encouraging more youth to apply for financial support.

Seed money to be provided to interested students to pursue their innovative ventures.

The society has a larger role to play in form of change in mindset and look up to entrepreneur not as a failed attempt in academics but as a genuine attempt to do something unique or different from others.

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