

# Role of Readiness, Support, Locus of Control and Need for Achievement in Entrepreneurial Awareness and Intention among the College Students from Chennai City: An Empirical Evidence Using Regression

Mr. R. RAJ KUMAR, Dr. L.CESIS DASTAN

\*Ph.D Research Scholar (PT) & Supervisor, PG & Research Department of Commerce, Presidency College, Chennai, India. rajkumarprof10@gmail.com

## Executive Summary on Entrepreneurial Awareness and attitude

History shows numerous examples of the importance of entrepreneurship. At present, the importance of entrepreneurship goes much further. Fostering entrepreneurship has become an important topic for current policy makers of the India. It turns out that policy can contribute to boosting the level of entrepreneurship. While the internal market of the India expanded from 380 million people to 450 million after the enlargement, a lot of opportunities for entrepreneurial initiatives have been created. In order to reach the Lisbon employment rate target in 2025, the enlarged India has to create some 60 million jobs. An entrepreneurial intention survey can help to see the founding intentions among students and what make them intend to become self-employed. The main need of the study is to assess the level of interest, Awareness and intention motives among the students in Chennai and choosing entrepreneurship as their future carrier. A sample size of 538 is considered for the study selected through scientific method. The results show that, positive partial effect of entrepreneurial readiness towards entrepreneurial Awareness and intention holding all other variables as constant.

## I. INTRODUCTION

Fostering entrepreneurship has become an important topic for current policy makers of the India. It turns out that policy can contribute to boosting the level of entrepreneurship. While the internal market of the India expanded from 321 million people to 480 million after the enlargement, a lot of opportunities for entrepreneurial initiatives have been created. In order to reach the Lisbon employment rate target in 2020, the enlarged India has to create some 25 million jobs. This seems to be a difficult task, taking into account the India employment growth of 7 % in 2022, which is equivalent to a net Indian job creation of 0.6 million. Nevertheless, promoting entrepreneurship is thought to be the method to create the jobs that the Indian needs.

The new policies of the India focus on the development of a friendly environment for starting businesses. This means that administrative procedures and regulations should not hinder the entrepreneurs to turn their ambitions into successful new ventures. Supportive frameworks will be developed as well. Business start-ups have difficulties in getting the seed and early-stage finance they need, therefore risk sharing between public and private sectors can help increase the availability of finance. Entrepreneurial aspiration refers to as stated desire to start a new venture or

an expectation that one will be started. The study seeks to identify key characteristics of such Awareness and investigate whether those influences will affect subsequent transition into self-employment.

## II. RESEARCH PROBLEM AND ITS SCOPE

Entrepreneurship subject which normally includes an exploration on starting and growing a business is often thought to be a likely subject for business discipline students. In this study, we are interested in how people with an academic degree perceive entrepreneurship as a personal career alternative. It is widely accepted that the educational system of universities has to provide an academic environment that serve as a catalyst for high-technology start-ups. The universities shall be fostering innovations and new product development through entrepreneurship as primary task of universities. The role of university graduates shall also be enhanced as founders of innovative business (Robinson and Sexton 1998). An entrepreneurial Awareness survey would be conducted to see the founding intentions among students and what make them intend to become self-employed. Enterprising elements of entrepreneurship such as evaluating opportunity, developing new products and handling start-ups are part of most business management curriculum. Nowadays students have narrow business perspective, less flexible to branch in

other working areas and focus themselves as only job seekers and not job creators. . The implications of the results would also lead to set of guidelines which can be used by educators when designing programs to suit different needs and demands of students.

### Need for the Study

The main need of the study is to assess the level of interest, Awareness and motives among the students in Chennai and choosing entrepreneurship as their future carrier. It covers a wide variety of influences on finding Awareness which includes family background, educational environment and cognition. The proposals derived from the survey can also provide some initiatives in formation of educational curriculums for the creation of future entrepreneurs and success of their new ventures. This research will concentrate on the topic of entrepreneurship education with specific emphasis on how this education can be promoted. This entrepreneurship education helps students, prepare for these new challenges. This research sought to identify an appropriate set of post graduate courses for developing entrepreneurship skills and to indicate the level of student interest in these courses.

### Scope of the Study

The study covers the Chennai city. The reason behind choosing Chennai as a sample unit is, traditionally, Chennai is a industrial and entrepreneurial hub with so many cottage industries working from home at different scale of operations. In addition, the students coming from business back ground already have some amount of interest towards business with the base idea on business and its operations. In the recent past the interest towards business is coming down among the youth and the reasons may be environment band increased competition etc. Still some percentage of students prefers to be entrepreneurs and thereby, it is opt to choose a study on the entrepreneurial intentions of the students from higher educational institutions. We must acknowledge the fact that the scope of study would be too wide if we want to cover all over Tamilnadu, and all groups of academic graduates besides the fact that among the university graduates are highly heterogeneous. Hence, we will select only the students of Chennai colleges as our targeted respondents to examine how they perceive entrepreneurship. We will cover not only student from business study but also students from other disciplines and background to measure their business.

Awareness which are important for the new technology-based business start up. The interest of students in consuming an entrepreneurship would deduce from the perception towards entrepreneur, opinion as to whether entrepreneurship is a born or made trait and their preference to enroll in entrepreneurship subjects. The objectives of the present study are to determine the level of entrepreneurial awareness among the students in Chennai. To evaluate role

of support in entrepreneurial intention influences. Finally, to verify the relationship between the determinants and entrepreneurial awareness among the students.

### Sample profile and justification

For the purpose of survey, the researcher used the non probable convenient sample method and approached the colleges to get approvals and permissions to meet the students in the campus. It is noteworthy to say that Chennai is educational hub and students are from the various parts of the country. The various streams of educational institutions are spread across the city covering the 25 square kilometers. Many institutions are run by trusts. The convenient sampling is chosen to meet the students by considering the resistance and availability of the student's time and response rate. The appropriate responses are more important in case of behavioural and psychological and futuristic studies. The sample size is determined in a scientific manner and by considering the population size. One percent of the population can be set as ideal sample size in case of large population groups. Scholar started initial field survey by targeting more responses than the sample by adopting the scientific and standard sample size of the literature for behavioural and qualitative studies and collected 750 sample responses over a period of four months. The initial scrutiny of the collected samples is made and 178 questionnaires of semi filled and unfilled are removed. Later, the questions having errors of duplication is separated from the sample questionnaire and found the 538 valid questionnaires and the analysis is made from the same.

## III. DATA ANALYSIS USING REGRESSION

### Regression-I

Here Y is the dependent variable, which is to be found.  $X_1$ ,  $X_2$ ,  $X_3$ ,... and  $X_n$  are the known variables with which predictions are to be made and  $b_1$ ,  $b_2$ , ...,  $b_n$  are coefficient of the variables. In this study, the dependent variable is entrepreneurial Awareness Independent variables are Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention, Philosophy of life and typical behavior, Locus of control, Instrumental readiness, Perceived support and barriers, Specific Desirabilities, Environmental role, Subjective norms, Self-Efficacy and analysis are discussed as follows:

**Null Hypothesis: Ho:** There is no significant relationship between the entrepreneurial Awareness and the Environmental role, Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention entrepreneurial Awareness among the sample.

**Table -4: Coefficients (a)**

	Unstandardized Coefficients		Standardized Coefficients	t	P value
	B	Std. Error	Beta		
(Constant)	1.366	1.886		.724	.419
Student readiness in terms of risk capacity	.122	.076	.039	1.601	.110
Financial support from family	-.123	.036	-.121	-3.408	<b>.000**</b>
Locus of control on self	.089	.033	.091	2.670	<b>.001**</b>
Need for achievement intention	1.283	.052	.734	24.858	<b>.001**</b>

a Dependent Variable: **Entrepreneurial awareness.**

The multiple correlation coefficient is 0.836 measures the degree of relationship between the actual values and the predicted values of the entrepreneurial intention. Because the predicted values are obtained as a linear combination Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention are quite positive and strong.

The Coefficient of Determination R-square measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the fitted sample regression equation. Thus, the value of R square is 0.699 simply means that about 69.9 % of the variation in entrepreneurial Awareness is explained by the estimated SRP that uses Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention, as factors in entrepreneurial Awareness is mixture in nature and not significant at 5% level of significance. Here the coefficient of  $X_1$  is 0.122 represents the positive partial effect of entrepreneurial readiness towards entrepreneurial Awareness holding all other variables as constant. The estimated positive sign implies that such effect is positive that entrepreneurial readiness score would increase by 0.122 for every unit increase in entrepreneurial readiness and this coefficient value is not significant at 5% level. The coefficient of Perceived support and barriers ( $X_2$ ), Locus of control ( $X_3$ ), Need for achievement ( $X_4$ ), and this coefficient is highly significant at 1% level of significant.

**Regression-II**

Here Y is the dependent variable, which is to be found.  $X_1, X_2, X_3, \dots$  and  $X_n$  are the known variables with which predictions are to be made and  $b_1, b_2, \dots, b_n$  are coefficient of the variables. In this study, the dependent variable is entrepreneurial attitude; Independent variables are Student readiness in terms of risk capacity, financial support from family, Locus of control on self and Need for achievement intention is discussed as follows:

**Null Hypothesis: Ho:** There is no significant relationship between the entrepreneurial intention and the Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and

Need for achievement intention among the sample.

**Table -2: Coefficients(a)**

	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.
	B	Std. Error	Beta		
(Constant)	10.408	1.791		5.810	<b>0.000**</b>
Student readiness in terms of risk capacity	-.126	.075	-.060	-1.694	.091
Financial support from family	.457	.030	.672	15.439	<b>.000**</b>
Locus of control on self	-.146	.032	-.223	-4.536	<b>.000**</b>
Need for achievement intention	.052	.075	.045	.701	.001**

a Dependent Variable: Entrepreneurial attitude

The multiple correlation coefficient is 0.599 measures the degree of relationship between the actual values and the predicted values of the entrepreneurial attitude. Because the predicted values are obtained as a linear combination Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention are quite positive and strong.

The Coefficient of Determination R-square measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the fitted sample regression equation. Thus, the value of R square is 0.359 simply means that about 35.9 % of the variation in entrepreneurial intention is explained by the estimated SRP that uses Student readiness in terms of risk capacity, Financial support from family, Locus of control on self and Need for achievement intention as the independent variables and R square value is significant at 1 % level. Similarly, entrepreneurial intention is explained by the estimated SRP that uses Student readiness in terms of risk capacity, financial support from family, Locus of control on self and Need for achievement intention not significant at 5% level of significance.

Here the coefficient of  $X_1$  is -0.126 represents the negative partial effect of entrepreneurial readiness towards entrepreneurial attitude, holding all other variables as constant. The estimated positive sign implies that such effect is negative that entrepreneurial readiness score would decrease by -0.126 for every unit increase in entrepreneurial readiness and this coefficient value is not significant at 5% level. The coefficient of  $X_2$  is 0.457 represents the partial effect of perceived support and barriers on entrepreneurial intention by holding all other variables as constant. Such



effect is positive and the entrepreneurial intention is increased by 0.457 for every unit increase in perceived support and barriers and this co-efficient is highly significant at 1% level of significant. The coefficient of  $X_3$  is -0.146 represents the negative partial effect of locus of control on entrepreneurial intention by holding all other variables as constant. Such effect is positive and the entrepreneurial intention is decreased by 0.146 for every unit increase in locus of control and this co-efficient is highly significant at 1% level of significant

#### IV. FINDINGS AND OBSERVATIONS OF DATA ANALYSIS

1. The correlation between the variables measuring entrepreneurial Awareness among the post graduate students in the sample is observed as follows. The correlation between philosophy of life and typical behaviour and instrumental readiness is at 22.9 percent, subjective norms with 35.8 percent, perceived feasibility with 19.9 percent and specific desirability with 41 percent and all the variables are significant at 1% level of significance. This indicates that the variables measuring entrepreneurial Awareness are positively correlated with each other and can expect positive results in measuring the entrepreneurial readiness and Awareness among the sample respondents.
2. The correlation between the second set of variables measuring entrepreneurial Awareness among the among the sample respondents is observed as highly positive and direct and all are significant at 1% level of significance. The correlation between the self efficacy and subjective norms is observed at 53.8 percent, environmental role at 95.6 percent and suggestions to improve the entrepreneurial Awareness with 86.9 percent and highly significant at 1% level of significance. Hence, it indicates the highly positive and favourable relationship between the variables. Similarly, the correlation between subjective norms and environmental role is observed at 88.7 percent and highly significant at 1% level of significance. Finally environmental role and suggestions to improve the entrepreneurial Awareness among the youth is positively correlated at 80.1 percent and highly significant at 1% level of significance.

#### V. SUGGESTIONS TO IMPROVE THE ENTREPRENEURIAL AWARENESS AMONG THE STUDENTS

1. **Creating awareness and grooming the entrepreneurial attitude, intention:** Creating the awareness on entrepreneurship need in the economic development of the country with the mean value of 4.09 and SD of 1.097, University should also cooperate with some of the public sector's agencies that foster female entrepreneurship with the mean value of 3.82 and SD of 1.287, relevance of entrepreneurship as a

compulsory subject in the university curricula with the mean value of 3.80 and SD of 1.299, Nurture the ideas with a careful program immaterial of ethnicity with the mean value of 3.85 and SD of 1.251, and enhance students need for achievement, locus of control and self efficacy with the mean value 3.83 and SD of 1.295, indicates the need for creating awareness and incorporating the entrepreneurial basics in the formal education and training the students to take up entrepreneurship can help in grooming the entrepreneurial culture among the students in the sample area.

2. **Supportive Factor:** young entrepreneurs need to be given priority in supportive aspects of entrepreneurship and other various aspects of business supportive measures of the government. Starting from licensing to regulation of the firms, start ups can be given a liberal and supportive climate for enhancing the business development in the sample area. In addition, Consider youth as specific target group for all developmental programmes, To encourage more passive youth towards entrepreneurship. Encourage youth in participation in decision-making at home and institution can help in improving the decision skills. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures planned and operated by the youth. This indicates the need for recognizing youth as a special audience in the entrepreneurship and provides the required support for improving the entrepreneurial Awareness intention and success. This can help in achieving the inclusive growth along with the economic development in an economy.
3. **Motivating and encouraging Factor:** As Maslow Said, for an individual motivation comes from his /her needs from time to time. Initially physiological needs followed by safety, social, recognition and self actualization. Hence, no motivator is permanent in nature and hence, the motivation needs to be continual in nature. Hence, the programmes designed for study in the higher education institutions should be in a position to improve the skill and knowledge on business and its managerial practices. This can help in creation of interest towards entrepreneurship among the youth and students in the sample area.

#### VI. CONCLUSION

A prerequisite for nurturing Entrepreneurship is the creation of a favorable business environment. This goal is at the heart of India's economic liberalization initiatives. The key parameters of a conducive business environment include smooth flow of information; ease of starting a business and obtaining various clearances and permits; ease of filling taxes; an efficient legal system; enabling legislations and regulations; absence of corruption; and world-class

infrastructure facilities. The findings of the present study indicate that, the primary motive to be an entrepreneur, quoted by the respondents are as follows. 27.9 percent are quoted as local business and the wide range of contacts in the city, 17.8 percent motivated with government schemes, 17.1 percent is supported by family, 16.4 percent is preferred entrepreneurship due to passion for business and 10.4 percent preferred and motivated by community support and government support schemes. It clearly indicates the need for encouraging youth towards entrepreneurship. This can increase the entrepreneurial Awareness among the youth in the sample area. The basics of entrepreneurship like creativity, innovation, and risk taking needs to be kept in mind while guiding the students towards entrepreneurship. The study results reveal that, the higher levels of preparedness towards entrepreneurship and it is influenced by the self and environment prevailing in the sample area. Hence, the role of environment is considered to be a highly influencing variable in improving the entrepreneurial Awareness among the post graduates in the sample.

## REFERENCES

- [1] Gelderen, M.W. van, Brand, M., Praag, M. van, & Bodewes, W. (2004). Some advances in the explanation of entrepreneurial intentions. Published in: Dowling, M., Schmude, J., & von Knyphaussen-Aufsess (Eds.). *Advances in Interdisciplinary European Entrepreneurship Research*, 27-45. Munster: Litverlag.
- [2] Gurel, E., Altinay, L., & Daniele, R. (2010). Tourism students' entrepreneurial intentions. *Annals of Tourism Research*, 37(3), 646-669.
- [3] Basu, A., Virick, M. (2020): *Assessing Entrepreneurial Intentions Amongst Students: A Comparative Study*, San Jose State University.
- [4] Carayannis, E.G., Evans, D., & Hanson, M. (2013). A cross-cultural learning strategy for entrepreneurship education: outline of key concepts and lessons learned from a comparative study of entrepreneurship students in France and the US. *Technovation*, 23, 757-771.
- [5] Dwerryhouse, R., (2011), "Real Work in the 16 – 19 Curriculum: AVCE Business and Young Enterprise", *Education and Training*, Vol 43 (3): p. 153-61
- [6] Lüthje, C., & Franke, N. (2003). The "making" of an entrepreneur: testing a model of entrepreneurial intent among engineering students at MIT. *R&D Management*, 33, (2), 135-147.
- [7] Peterman, N.E., & Kennedy, J. (2003). Enterprise education: influencing students' perceptions of entrepreneurship. *Entrepreneurship: Theory & Practice*, 28, (2), 129-145.
- [8] Sandhu, M. S., Sidique, S. F., & Riaz, S. (2011). Entrepreneurship barriers and entrepreneurial inclination among Malaysian postgraduate students. *International Journal of Entrepreneurial Behavior & Research*, 17(4), 428-449.
- [9] Thrikawala, S. (2011). The determinants of entrepreneurial Awareness among academics in Srilanka :International conference on economics and finance research, LACSIT press, singapore, 4, 454-458.
- [10] Aronsson, M. (2014). Education matters-- but does entrepreneurship education? An interview with David Birch. *Academy of Management Learning and Education*, 3(3), 289- 292.
- [11] Arum R, Mueller W(2011) : *The Reemergence of Self-employment: A Comparative Study of Self-employment Dynamics and Social Inequality*. Princeton University Press, Princeton NJ; 2004. *Academy of Management Review* 2001, 26(1):41-56.
- [12] Basu, A., Virick, M. (2020): *Assessing Entrepreneurial Intentions Amongst Students: A Comparative Study*, San Jose State University.
- [13] Carayannis, E.G., Evans, D., & Hanson, M. (2013). A cross-cultural learning strategy for entrepreneurship education: outline of key concepts and lessons learned from a comparative study of entrepreneurship students in France and the US. *Technovation*, 23, 757-771.
- [14] Dwerryhouse, R., (2011), "Real Work in the 16 – 19 Curriculum: AVCE Business and Young Enterprise", *Education and Training*, Vol 43 (3): p. 153-61 .
- [15] Yalcin, S., & Kapu, H. (2008). Entrepreneurial dimensions in transitional economies: A review of relevant literature and the case of Kyrgyzstan. *Journal of Developmental Entrepreneurship*, 13 (2), 185-204.