

# A Study On Innovation Of The Student And Its Impact On Entrepreneurial Intention

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## ABSTRACT

The main purpose of this study is to analysis the challenges faced by student entrepreneurs in Coimbatore city. We always viewed that a smart student can pick up a job any day, but if she becomes an entrepreneur she can provide a livelihood to 10 more student at least. Highly educated, technically sound and professionally qualified student should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young student can be identified, trained and used for various types of industries to increase the productivity in the industrial sector. It can be said that today we are in a better position wherein student participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian student. The role of Student entrepreneur in economic development is also being recognized and steps are being taken to promote student entrepreneurship. Resurgence of entrepreneurship is the need of the hour emphasizing on educating student strata of population, spreading awareness and consciousness amongst student to outshine in the enterprise field, making them realize their strengths, and important position in the society and the great contribution they can make for their industry as well as the entire economy. Student entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

**Keywords:** Student, Entrepreneurship and Economic development

## INTRODUCTION

Entrepreneurship is an attempt to create value through recognition of business opportunity, the management of risk taking appropriate to the opportunity and through the communicative and management skills to mobilize human, financial and material resources necessary to bring the project to the fruition. The term entrepreneur has been derived from the French word “entreprendre”, means to undertake. The

entrepreneur may be defined as “an entrepreneur is a person who combines capital and labor for production”. Entrepreneur is a key element of growth and development prospects for all countries. Once upon a time the large part of the world was designed such that men could only set up enterprises.

Student contribute significantly in running their family business mostly in the form of unpaid effort and skills. The value of this effort is under

estimated both by the families that take it for granted and in academic studies. Student have been successful in breaking the confinement within the limits of their home by entering into varied kinds of professionals and services. Student entrepreneur have proved to be on part of their men and counter parts in business acumen and emerging as a smart and dynamic entrepreneurs. But, a part of student in some parts of the country still do not know their power. They don't know that they can break the domination over men and move on, walk on and fight for their freedom.

### STATEMENT OF THE PROBLEM

In India, the need is now kneel felt that student should also work outside the home for getting better living standards for all. It is in this context that, the question of student entrepreneur has taken new significance especially when unemployment has become a matter of great concern for all.

Even after 68 years of independence, student in India are struggling for entrepreneurial freedom. in this context the study is important to know the essential reason for student to opt for entrepreneurship and what are the major motivators for their growth and at the same time what are the various constraint student are facing in this journey of entrepreneurship.

### OBJECTIVES OF THE STUDY

- To examine the demographic and socio-economic profile of student entrepreneur, in Coimbatore city.
- To analyze the various motivational factors responsible for student entrepreneurs to start up their own enterprises.
- To probe in to constraints faced by student entrepreneur in their business activity.

### SCOPE OF THE STUDY

The scope of the study is restricted to student entrepreneurs in Coimbatore city. It deals with the pros and cons. An attempt is made by the

researcher to analysis the demographic profile and what are the major type of business that are opted by the student entrepreneurs in the city. Same time the researchers also attempted to study the sources of fund for starting their they enterprises.

### RESEARCH METHODOLOGY:

**Area of the study:** The size of the sample for this study is 180 respondents in Coimbatore city.

**Data source:** Both primary data and secondary data have been taken for analysis.

**Primary data:** The primary data for the research design has been collected through structured questionnaire.

**Secondary data:** The secondary data was taken through the articles, business magazines and websites.

**Sample size:** A sample size of 180 has been chosen for this study.

**Sampling techniques:** In this study convenience sampling technique is used in selecting the sample.

**Tools used:** Percentage analysis, weighted average, Chi-square analysis, Z-test, ANOVA

### LIMITATION OF THE STUDY:

- The sample size has been limited to 180 only; the characteristics of the whole population may not be reflected by the samples.
- The survey was conducted within the limits of the Coimbatore city only and as such the findings cannot be generalized to other places.
- Some of the respondents were reluctant to co-operate and to provide necessary information.

### ANALYSIS AND INTERPRETATION

#### Demographic variables of the student respondents

Demographic variables	Particulars	No .of respondents	Percentage
Age	Less than 18 years	34	18.89

	18-20 years	62	34.44
	21-23 years	63	35
	More than 23 years	21	11.67
	Total	180	100
Education	No formal education	19	10.56
	Up to school level	94	52.23
	Under Graduate	50	22.78
	Post Graduate	17	9.46
	Total	180	100
Marital Status	Single	33	18.33
	Married	101	56.11
	Divorced	9	5
	widow	37	20.55
	Total	180	100
Family Structures	Nuclear	124	68.89
	Joint	52	28.89
	Total	180	100
Family Members	Less than 3	36	20
	Three to Four	101	56.11
	Four to Six	9	5
	More than Six	37	20.56
	Total	180	100

### Interpretation

The above table indicates that 35% of the respondents are aged between 21-23 years, 34.44% of respondents are aged between 18-20 years, 18.89% of the respondents are Less than 18 years & 11.67% of respondents are aged above 45 years. 52.23 % of respondents' have completed school level education, 22.78% of respondents are Under Graduate, and 10.56% of respondents' have gained no formal education. And 9.46% are Post Graduate. 56.11% of respondents are married, 20.55% of respondents are widowers,

18.33% of respondents are Single and 5% of the respondents are Divorcers. 68.89% of respondents form a part of nuclear family and 28.89% of respondents live in joint family set-up. 56.11% of respondents family size constitutes of 3-4 members, 20.56% of respondents have more than six members in their family, 20% of respondents family size constitutes of less than 3 members and 5% of respondents have 4-6 members in their family.

### Weighted averages

### Reason stated by the student for starting business

Reason	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Sum	Mean	Rank
To earn more money	96	59	15	10	0	781	4.34	1
To secure social prestige	78	75	18	9	0	762	4.23	2
To be an entrepreneur	76	48	19	37	0	703	3.91	3
Family business	28	16	20	60	56	440	2.44	4

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The above table shows that to earn more money was ranked first. To secure social prestige in second place. To be an entrepreneur in the third place, and family business in the fourth place.

### Motivational factors for setting up business

Factors	Highly motivated	Motivated	Neutral	Not motivated	Not highly motivated	Sum	Mean	Rank
Economic independence	96	70	14	0	0	802	4.46	1
Infrastructural facilities	39	86	48	5	2	695	3.86	6
To make my own decisions	91	60	27	2	0	780	4.33	2
Use of idle funds	52	48	32	39	9	635	3.53	7
Being entrepreneur was a lifelong goal	58	44	30	22	26	596	3.31	9
To continue family business	92	52	14	11	11	626	3.48	8
To support family financially	87	63	20	6	4	739	4.11	5
Generate self employment	78	62	27	7	6	743	4.13	4
To gain respect	52	36	34	32	26	763	4.24	3

The above table shows that economic independence is the major motivating factor to start business and was ranked in first place, followed by to make own decision in second place. The third weight age is given to, to gain respect. To generate self employment fourth rank followed by to support family financially in fifth

rank. infrastructural facilities is ranks sixth, use of idle fund seventh and family business in eighth. entrepreneur as life long goal as ninth rank.

### CHI-SQUARE ANALYSIS

#### Problems faced by student entrepreneurs and the discussion with other entrepreneurs

Variables				REMARK
	Chi-Square Value	DF	Table Value	
Lack of systematic planning and working	1.898	2	5.991	REJECTED
Lack of awareness and guidance	1.673	2	5.991	REJECTED
Fear of failure and criticism	20.261	2	5.991	ACCEPTED
Maintaining work life balance	5.851	2	5.991	REJECTED
More competition	8.311	2	5.991	ACCEPTED
Lack of timely availability of loans from banks	1.258	2	5.991	REJECTED
People perceptions	17.007	2	5.991	ACCEPTED
Lack of training in my work	4.516	2	5.991	REJECTED
Lack of leadership qualities	9.620	2	5.991	ACCEPTED

**Level of Significance: 5 per cent**

The table shows that the value of p is less than the chi-square values. There is a significant relationship between the problems and discussion with other entrepreneurs. lack of systematic planning(1.898), awareness and guidance(1.673), work life balance(5.851), lack of loans from banks(1.258), and lack of training in work(4.516) **The hypothesis framed is rejected.** The value of p is greater than the chi-square value; there is no significant association between the problems faced and discussion with other entrepreneurs.

Fear of failure and criticism (20.261), more competition (8.311), people's perception (17.007) and lack of leadership qualities (9.620). **The hypothesis is accepted**

### ANOVA

**Anova analysis between the demographic status of the respondents and to earn money**

**HYPOTHESIS:** There is no significant difference between demographic profiles and to earn more money

Variables	Source	Sum of Square	DF	Mean square	F	Sig
Age	Between Groups	17.226	3	5.742	7.443	.000
	Within Groups	135.769	176	.771		
	Total	152.994	179			
Marital status	Between Groups	30.962	3	10.321	12.514	.000
	Within Groups	145.149	176	.825		
	Total	176.111	179			
Education	Between Groups	28.565	3	9.522	19.724	.000
	Within Groups	84.963	176	.483		
	Total	113.528	179			
Family structure	Between Groups	3.612	3	1.204	4.774	.003
	Within Groups	44.388	176	.252		
	Total	48.000	179			
No of members in family	Between Groups	1.032	3	.344	.541	.655
	Within Groups	111.963	176	.636		
	Total	112.994	179			

### Level of Significance: 5 per cent

The ANOVA analysis table shows that p value is lesser than the 0.05; there is significant difference between demographic profile of the respondents and the reasons stated by them for starting the business. Age (.000), marital status (.000),

education (.003). **The hypothesis is rejected.** The p value is greater than 0.05, for the variable no. of members in the family (.655). There is no significant difference between the demographic profile and the reason hence the **null hypothesis is accepted.**

### INDEPENDENT Z-TEST

Particulars	Manufacturing Sector		Service Sector		Z	DF	Sig
	Mean	SD	Mean	SD			
Economic independence	1.62	.780	1.52	.574	14.968	178	.000
Infrastructural facilities	2.22	.840	2.11	.819	1.658	178	.199
To make my own decisions	1.82	.919	1.61	.699	7.427	178	.707
Use of idle funds	2.62	1.354	2.42	1.212	.877	178	.350
Being entrepreneur was a lifelong goal	2.82	1.438	2.41	1.402	.292	178	.589
To continue family business	2.62	1.276	3.39	1.309	.060	178	.806
To support family financially	2.04	.832	1.85	.949	.501	178	.480
Generate self-employment	2.04	1.228	1.85	.944	5.838	178	.107

To gain respect	2.48	1.460	1.68	1.057	17.575	178	.000
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### Level of Significance: 5 per cent

From the above table it has been inferred that the probability value of  $z$  is observed to be insignificant at five per cent level. Therefore the hypothesis framed stands rejected and it is concluded that type of business enterprise by student and the influences of various factors on them for setting up the business are observed to be two dependent variables.

## FINDINGS

### Simple percentage

- Most (35%) of the respondents are aged between 21-23 years.
- Most (52.23%) of the respondents have completed school level education.
- Most (56.11%) of the respondents of student entrepreneurs are married.
- Majority (68.89%) of the respondents form a part of nuclear family.
- Most (56.11%) of the respondents family size constitutes of 3-4 members.
- Most (30.55%) of the respondents having business such as tailoring and embroidery works.
- Majority (96.11) of the respondents run self started business.
- Most (58.33%) of the respondents said their family members whole heartedly accepted their business.
- Most (51.11%) of the respondent earn a monthly profit of RS10001-20000.
- Most (53.89%) of the respondents have sourced fund through banks as loans
- Most (56.25%) of the respondents borrowed fund from private money lenders.
- Most (52. %78) of the respondents operate their business premises in rented site.
- Most (43.33%) of the respondents advertise their product or services.
- 28.89% of the respondents advertise by word of mouth
- Most (46.66%) of the respondents use to discuss with other entrepreneurs for solving managerial problems.

- Most (53.33%) of the respondents were motivated to set up business due to economic independence

- Most (55.66%) of the respondents facing problem in handling people's perception.

### Weighted average

To earn more money was the reason to start the business and ranked first

- Gender role discrimination is ranked in first as social challenges.
- Economic independence is ranked first as a major motivating factor for setting up the business.
- The problems such as handling peoples perception and maintaining work life balance is ranked first.

### Chi-square.

- There is a significant difference between the problems faced and discuss with other entrepreneurs to solve managerial problems.
- There is a significant difference between the problems faced and discuss with other employees to solve managerial problems.
- There is a significant difference between the problems faced and discuss with other managerial personals to solve managerial problems

### Anova

- There is a significant difference between the variables such as (age, family structure, education, no. of members, marital status) in case of to earn money, secure social prestige, to be an entrepreneur and family business.
- There is no significant difference between the variables such as (members in the family, age, family structure,) in case of family business and to be an entrepreneur.

### Z-Test.

- The type of business enterprise and the factors for setting up business are to be two-dependent variable.

## SUGGESTIONS

The problem of lack of finance is faced by many student and majority of them borrow money from private money lenders. Due to lack of education they are unaware about the procedure and formalities.

- All the required documentation should be in regional language. So that even, illiterate student will feel that it is appropriate and trusted source of getting finance.
- Awareness about entrepreneurial opportunities and entrepreneurship as career option for student needs to be created in society at large. This could be done through well planned publicity campaigns launched through newspaper, radio, and televisions.
- For managing stress, enhancing leadership qualities, workforce management etc student need to be trained as many of them are not having any professional or managerial educations.
- The student entrepreneurs use traditional technology-based manual skills in their business. Technology can play a role in saving money, increasing productivity, and increasing the quality of output. Training should be given to student entrepreneurs so that they can use technology effectively

## CONCLUSION

The conclusion is that the role of Student entrepreneur in economic development is also being recognized and steps are being taken to promote student entrepreneurship. Resurgence of entrepreneurship is the need of the hour emphasizing on educating student strata of population, spreading awareness and consciousness amongst student to outshine in the enterprise field, making them realize their strengths, and important position in the society

and the great contribution they can make for their industry as well as the entire economy. Student entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

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