



“Entrepreneurial Intentions and Barriers Among Hotel Management and Non-Hotel Management Graduates: A Comparative Study of Restaurant Ventures in Nagpur City”.

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Abstract

The idea explores why graduates with a Hotel Management (HM) degree often choose not to open restaurants, while individuals without an HM degree are successfully launching restaurants. It develops the motivations, fears, opportunities, and mindset differences between these two groups. This research work has been done with the purpose of studying entrepreneurial intentions of HM graduates and non-HM graduates opening restaurants in Nagpur city'. The method used to carry out this research was Descriptive since, the researcher is merely describing the reasons of the both groups intentions of opening restaurant. The sampling technique used for this research was purposive Random Sampling, in which 50 samples from HM graduates and non-HM was taken and survey was conducted through questionnaire.

On one side, HM graduates might be more aware of the risks, operational challenges, and financial burdens, making them hesitant to start their own ventures. They might prefer stable jobs in established businesses rather than taking entrepreneurial risks. On the other hand, non-HM graduates may approach the restaurant industry with fresh perspectives, strong business instincts, or a passion for food, leading them to jump in despite lacking formal training.

This contrast raises questions about the role of education, practical experience, and personal drive-in entrepreneurship. It suggests that expertise alone doesn't always translate into business ownership, and sometimes, an outsider's ambition can outweigh an insider's caution.

While financial constraints and fear of failure hold back hotel management graduates while Non-Hotel Management graduate often take bold risks and find ways to succeed. Addressing these barriers through better financial assistance, business education, and mentorship programs can help more hotel management graduate achieve their dream of owning a restaurant.

Keywords: Entrepreneurial Intentions, Hotel Management, Non-Hotel Management, Restaurants

Entrepreneurship is considered to be a process whereby entrepreneurs discover, evaluate and exploit opportunities to create future goods and services.(Malebana & Swanepoel, 2015).Entrepreneurship is recognized as an important source of job growth and economic development of a country. The rate of growth for entrepreneurship varies from country to country as well as from time to time for the same country. But the established fact is that it has a clear and positive impact on economic growth. The entrepreneur is the driving force behind the economic development of countries.(Rasli, 2013)

Entrepreneurial intention, defined as an individual's self-acknowledged conviction to start a new business venture in the future (Krueger et al., 2000), is influenced by various personal, educational, and environmental factors. (Ajzen, 1991)

Hospitality is fast pace growing industry in India and a big source of employment. For developing further on Indian tourism and Indian hospitality industry it is to be encouraged to produce considerable number of hotel jobs, both directly in the hospitality sector in which tourist expenditure occurs and more widely via inter industry linkages. The growing hotel related employment is observed seen in various countries. The ever changing and progressing hotel industry is creating various job opportunities but most of the jobs are i.e. low skilled or with low pay this eventually results in job dissatisfaction. Unfortunately, in India hospitality industry has an image of high staff turnover and waste of trained personnel. To overcome the shortage of skilled staff there is increase in number of hotel management colleges which also offer industrial training wherein the students get a glimpse of hotel jobs and further decide about their future careers.(Pol & Patil, 2015)

Entrepreneurship in the hospitality industry, particularly in the restaurant sector, has become a dynamic field of interest due to its potential for innovation, job creation, and economic development. The increasing number of restaurants launched by non-hotel management graduates, in contrast to the relatively lower entrepreneurial activity among hotel management (HM) graduates, has raised critical questions regarding the determinants of entrepreneurial intentions within these cohorts.

Hotel management: Hospitality Management is the study of the hospitality industry. A Graduation in the subject may be awarded either by a university college dedicated to the studies of hospitality management or a business school with a relevant department. Qualification in hospitality management may also be referred to as hotel management, hotel and tourism management, or hotel administration.(Srinivasan, 2014)

In the context of hospitality education, hotel management programs are designed to equip students with skills in operations, service management, and leadership (Lashley, 2009). However, these programs may not always nurture entrepreneurial mindset or risk-taking propensity essential for new venture creation. In contrast, non-HM graduates—especially those with business, technology, or creative backgrounds—may exhibit stronger entrepreneurial behaviour due to broader exposure to innovation, finance, or digital tools (Zhao et al., 2005).

The "restaurant opening" concept, particularly among millennials and Gen Z, often includes fusion cuisine, cloud kitchens, and theme-based dining experiences, requiring not only culinary expertise but also digital marketing acumen, financial management, and innovative design thinking. This multi-disciplinary demand might explain why individuals without formal HM education, but with entrepreneurial drive and diverse competencies, are entering and succeeding in the restaurant business (Parsa et al., 2005).

1.1 Significant of the study

The significance of this study is to understand why graduates from Hospitality Management (HM) are choosing not to open their own restaurants, while people who didn't study HM are deciding to open restaurants. This research can help us learn more about the factors influencing these decisions, like skills, experience, or other personal and professional reasons. It could also shed light on the differences in how these two groups approach the restaurant business. The findings might help colleges and universities improve their hospitality programs, guide aspiring restaurant owners, and even suggest ways to make the restaurant industry more accessible to people from different backgrounds.

1.2 Aim: To Study Entrepreneurial Intentions and Barriers Among Hotel Management and Non-Hotel Management Graduates: A Comparative Study of Restaurant Ventures in Nagpur City.

1.3 Objectives:

1. To Find out the challenges faced by Hotel Management Graduates in entrepreneurial intentions of opening restaurants.
2. To identify the reasons of Non-HM graduates opening restaurants in Nagpur city.
3. To understand the hospitality education influence business decision and risk perception.
4. To compare factors of both HM and Non- HM graduates opening restaurants in Nagpur.
5. To provide suggestions to encourage HM graduates to start their venture.

1.3 Limitations: -

1. Time, energy, and money were the major constraints.
2. The study was limited to Nagpur city with aspects of HM graduates and non-HM graduates' restaurants only.
3. The study primarily focuses on reasons of opening restaurants and not the financial gains and profits.
4. The sample size was 50 each for both the graduates.

1.4 Hypothesis:

1. H1: HM graduates face significant challenges and reasons in entrepreneurial intentions of opening restaurants in Nagpur city.
2. H2: Non-HM graduates have different motivations for opening restaurants in Nagpur city compared to HM graduates.

1. Entrepreneurial Intentions: Theoretical Foundations

Entrepreneurship refers to any attempt at creating new business or venture such as self-employment, a new business organization or the expansion of existing business by an individual, group of individuals or established businesses. Entrepreneurship involves a complex and dynamic activity that requires cognitive processes such that individuals are able to think about future outcomes and determine the desirability and feasibility of such outcomes. Thus, individual idiosyncrasies exist in their rationale and social characteristics for new business creation such that what may be an opportunity for one might be a necessity to another. Furthermore, since the decision to form a new venture is conscious and pre-meditated, intention-based studies of entrepreneurship behaviour provide a robust basis for understanding predictors of entrepreneurship behaviour. Davidsson add that studying entrepreneurial intentions avoid the biases that may occur from individual and situational factors that develop as a result of running an enterprise. (Ojiaku et al., 2018).

Several conceptual models of entrepreneurial intentions have been developed to assist our understanding of the factors and influences that shape individuals' intentions of starting a business (Kennedy & Highway, 2003).

Entrepreneurial intention is the state of one's mind to foster the new business or venture creation. Entrepreneurial conviction is a measure of the perceived ease of starting up a new firm as well as to the perceived feasibility of such a choice. However, a person will only initiate entrepreneurial actions when one "entrepreneurial conviction is high in relation to the perceived requirements of a specific opportunity. Past studies have proven that conviction stands out as the primary explanation and determinant of entrepreneurial intentions.

During recent years, the process-based approach of studying entrepreneurial intentions has become increasingly us. Moreover, intentionality is grounded on cognitive psychology that attempts to explain or predict human behaviour. Similarly, attitudes towards entrepreneurship (perceived feasibility and perceived desirability) should be partially derived from prior exposure to entrepreneurial activity. It affects intention and thus behaviour through changing attitudes. Model of new-venture initiation proposes that the decision to initiate new venture requires two things. Firstly, the individuals should have intentions towards entrepreneurship and the perception that starting a new venture is credible. Secondly, the new venture initiation requires some kind of precipitating event. Credibility requires at least a threshold level of perceptions of feasibility and desirability with some propensity to act upon the opportunity (Zhang et al., 2014)

Entrepreneurial intention (EI) has emerged as a central construct in entrepreneurship research. It refers to the conscious state of mind that precedes action and directs an individual's attention and behaviour toward entrepreneurial activities. "The role of entrepreneurship in economic development is increasingly recognized

by policymakers and researchers. Entrepreneurship has been advanced as the panacea for youth unemployment and wealth creation. (Krueger et al., 2000).

In applying this model, (Krueger et al., 2000) found that entrepreneurial intentions serve as the best predictor of entrepreneurial behaviour and venture creation. These intentions are further influenced by factors like perceived desirability and feasibility, self-efficacy, and prior experience. The TPB framework has been widely used in hospitality and tourism education to analyse how education, personal traits, and external conditions impact the decision to pursue entrepreneurship.

2. Entrepreneurship Education and Its Influence on EI

Entrepreneurship education (EE) is seen as a catalyst in shaping students' entrepreneurial mindset and boosting their intentions to start businesses explored the relationship between EE and EI among tourism and hotel management students, finding that EE significantly enhances entrepreneurial self-efficacy, which in turn positively impacts intentions. Furthermore, they demonstrated that grit—a personality trait associated with perseverance and passion for long-term goals—moderates this relationship (Zhang et al., 2014).

Similarly, (Sharma & Virani, 2023) conducted a cross-lagged mediation study that highlighted the role of perceived EE effectiveness. Their findings show that students who viewed their entrepreneurship curriculum as practical and empowering reported higher entrepreneurial self-efficacy and, consequently, stronger entrepreneurial intentions. These findings suggest that structured, practice-oriented EE can address gaps in confidence and readiness, particularly among HM students who may otherwise gravitate toward operational roles.

The Hospitality Industry can provide lifelong career and its areas of expertise vary from marketing to cooking, engineering to public relations and from security work to accounting. The recent growth in hotels in different category has been witnessed (Srinivasan, 2014). The hotel industry requires highly skilled and competent employees who possess employability attributes that contribute to the prosperity of the business, as this industry is not just about the attractions and facilities accessible to guests. Hotel employees need to possess both hard and soft skills. (Ngoepe & Wakelin-Theron, 2023). Hotel and restaurant management graduates face a more competitive and unstable employment market in the twenty-first century; hence, they must be equipped with skills that allow them to reach their full potential (Gaite et al., 2022).

3. Hotel Management Graduates and Entrepreneurship

Private higher education institutions (PHEIs) provide students with a wealth of options when choosing a degree, diploma or other qualification. Public and private higher education institutions are subject to some oversight and regulation, and will receive the same qualification regardless of whether you opt for state-funded university or a private institution (Ngoepe & Wakelin-Theron, 2023b).

Often, these skills are taught in secondary schools and public or private tertiary hospitality academic institutions. hard skills include formal academic qualifications in a specific industry, language fluency, social media skills, and information technology (IT) systems proficiency. Most of the time, new entrants need to

possess a set of hard skills related to the specific hotel department where they are going to work. Soft skills are described as the aptitudes and capabilities learned organically through past interpersonal relationships and work experiences. They are more about what an individual offers as an employee). Hotel employees engage and interact with people and, therefore, should possess many soft skills to meet guests' needs, wants, preferences, and expectations. These soft skills include communication, problem-solving skills, a strong work ethic, team leadership, time management, flexibility, organisation, a positive attitude, and multitasking skills (Ngoepe & Wakelin-Theron, 2023b)

Traditionally, HM graduates are trained in service operations, guest relations, and food production—skills essential for managing hospitality units but not always sufficient for launching new ventures. (Lashley, 2009) critiques hospitality curricula for focusing heavily on operational efficiency at the expense of fostering innovation and entrepreneurial spirit. As a result, while HM graduates may excel in running hotel or restaurant operations, they may lack the exposure to risk-taking, business model innovation, and strategic decision-making needed for entrepreneurship.

In many cases, HM graduates exhibit lower entrepreneurial intentions due to limited entrepreneurial role models, a lack of financial literacy, and a risk-averse mindset shaped by their training (Zhao et al., 2005). These constraints can inhibit the translation of technical skills into business creation, despite the potential.

4. Non-Hotel Management Graduates and the Rise of Restaurant Entrepreneurship

Contrastingly, non-HM graduates—particularly from business, technology, or design fields—often approach restaurant entrepreneurship from a more innovative angle. Their academic background equips them with skills in digital marketing, finance, branding, and user experience, which are increasingly crucial for modern restaurant models such as cloud kitchens, experiential dining, and health-conscious fast-casual concepts.

(Parsa et al., 2005) noted that many restaurant failures are due to inadequate financial planning, poor market analysis, and weak marketing strategies—all areas where non-HM graduates may have a comparative advantage. Moreover, the democratization of food content through social media and the growth of food delivery platforms have lowered entry barriers, enabling creative entrepreneurs from non-traditional backgrounds to disrupt the industry.

Research Methodology

Research Methodology is the systematic, theoretical analysis of the methods applied to field of study or research work. It acts as the nerve centre because the entire research work is bounded by it.

In other word it is the way of searching the research problem. The section represents an overview of the methods used in study. Areas covered here include Research Design, Sample & Sampling Techniques, Population, and Data Collection & Analysis.

3.1 Research Design

This study predominantly based on qualitative measurement of the variables mentioned in the objectives and hypothesis statements. To conduct this proposed research work, descriptive research design was used to describe and analyse the various construct and variables selected for the study.

3.2 Sample Design

This section was to elaborate the plan, techniques and procedure the researcher would adopt to draw the sample from the population.

3.3 Area of Research

This proposed study was carried out within the geographic boundaries of Nagpur city, Maharashtra.

3.4 Sample Selection

Purposive sampling refers to the sampling method that selects the units that are judged to be the most representative of the population from the overall sample based on the subjective experience of the investigator. The researcher selected the samples using purposive random sampling techniques.

3.5 Sample Size

Based on the observation of the HM graduate and Non-HM graduate, the sample size was limited to 50 samples of each group where graduates with and without restaurants were considered. The research is focused on why HM graduate's entrepreneur intentions are not fully achieved and non-HM graduates are opening their own restaurants in Nagpur city.

3.6 Data collection:

In order to get the information about the study the researcher collected the data from two main sources which were: -

Primary data: - Primary data is consisting of general survey was collected by the questionnaire. For the survey, two questionnaires were prepared for the Hotel Management Graduates and Non-Hotel Management respectively. A copy of the questionnaire has been attached in the annexure.

Secondary method: - Secondary data was gathered through books, websites, journals, research papers, news articles, electronic Media.

3.7 Analysis of data

Keeping in mind the objectives the data was collected through Questionnaire and was statistically analyzed and interpreted with the help of tables and graphical representation.

4 Results and Discussions

Table 4.1 Age of the respondent

Age Group	Hotel Management (%)	Non-Hotel Management (%)
21- 30	56	60
31-40	22	20
41-50	22	10
50 and above	0	10

(Primary Source)

From the above table number 4.1 it is observed that majority of the respondent are from the age group of 21-30. i.e. most of the respondents are in their young age where they are either opting for a job or business. It is evident that graduates at the initial stage of their career are opting the startups only.

Table 4.2 Gender of the respondent

Gender	Hotel Management (%)	Non-Hotel Management (%)
Male	78	69
Female	22	31

(Primary Source)

From the above table number 4.2 it is observed that most of the respondent are male and less in number are females.

Table4. 3: Educational Background of Respondents

Group	Number of Respondents
HM Graduates	50
Non-HM Graduates	50

(Primary Source)

From the above table number 4.3 it is observed that 50% of the respondents belongs to the Hotel Management graduates with knowledge about the industry and 50% of the respondents enter the industry with no or very less knowledge and skills.

Table4. 4: Key Challenges Faced in Opening Restaurants

Challenge	HM Graduates (%)	Non-HM Graduates (%)
Lack of Capital	42	30
Risk Aversion	30	18
Prefer Employment	18	10
Licensing Issues	10	15
Staff Shortage	-	27

(Primary Source)

From the above table number 4.4 it is clear that 42% of the hotel management graduates lacks in capital / investments for starting a new restaurant venture whereas only 30% of Non-hotel Management graduates felt difficulty in arranging capital for the business. 30% of hotel management graduates identify the opening of a restaurant is more risk oriented than normal salaried job. Whereas only 18% of the Non hotel management graduates identify it as risky affair. None of the Hotel Graduates ever observed any difficulty in finding the staff for the restaurants whereas 27 % Non-Hotel Management graduates find difficulty in hiring and maintaining staff.

Table4. 5: Motivation to Open Restaurant

Motivation	HM Graduates (%)	Non-HM Graduates (%)
Passion for Food	30	40
Family Business	18	25
Job Dissatisfaction	40	30

(Primary Source)

From the above table number 4.5 it is crystal clear that 40% of the Non-Hotel Management graduates have extreme passion for their desire and zeal to fulfil their dreams whereas only 12% of the hotel management graduates have courage to follow their passion for food. Most of the Non-Hotel Management graduates i.e. 25% come with family background whereas only 18% of Hotel Management graduates come with any family backup. The major reason for the opening of restaurant was job dissatisfaction for the both graduates.

Table 4.6: Support Needed to Start Restaurant

Support Type	HM Graduates (%)	Non-HM Graduates (%)
Financial Assistance	65	50
Mentorship	40	55
Training Programs	55	35
Govt. Incentives	30	25

(Primary Source)

From the above table number 4.6 it is evident that 65 % Hotel Management Graduates felt financial assistance is major hindrance for starting up any restaurant ventures compared to Non-Hotel Management Graduates. 55% Non-Hotel Management Graduates necessitates mentorship for initial startup of restaurants which will help them to grow the business for coming years. Both hotel management and non-hotel management graduates were having point of views that government schemes and incentives are essential for promising entrepreneurs coming in the competitive market.

Conclusion

The survey results provide valuable insights into why hotel management students hesitate to start their own restaurant businesses, while non-hotel management students take the risk and succeed. These findings suggest that success in the restaurant business depends more on financial backing, risk-taking ability, and business experience rather than formal education in hotel management.

The study confirms a disparity in entrepreneurial inclination between HM and Non-HM graduates. While Non-HM graduates pursue restaurant ventures with enthusiasm, HM graduates exhibit reluctance due to perceived risks and lack of entrepreneurial training.

The data reveals that HM graduates face more barriers such as financial constraints and a preference for stable employment. Non-HM graduates, on the other hand, are driven by passion and opportunity recognition. These findings suggest that hospitality education may unintentionally discourage entrepreneurship by focusing heavily on job placement. Addressing these barriers through better financial assistance, business education, and mentorship programs can help more hotel management students achieve their dream of owning a restaurant.

Suggestions and Recommendations

For Hotel Management Graduates:

1. Collage should encourage business thinking and should teach students how to start and run a restaurant, showing them real-life success stories.

2. The HM graduates should gain Financial and Business Skills to start restaurants because they feel fear of financial risks like Training of managing money, investments, and business planning.
3. The proper Internships should include learning how to manage a restaurant, not just working in the department.
4. College should provide mentorship opportunities for Connecting students with successful restaurant owners can inspire and guide them.
5. Government / tourism ministry must offer financial support for grants, startup loans, and business incubators can make it easier for HM graduates to start their own restaurants.

For Non-Hotel Management Graduates:

1. Learning basics skills related to Hospitality will be helpful for term sustainability of business.
2. Short term courses or diploma in particular skill can make the graduates to run the business in the absence of his core staff.
3. Getting the advice from experienced restaurant owners can help them avoid mistakes.
4. Non-Hotel Management graduates should balance passion with business knowledge because, loving food is great, but knowing how to manage staff, handle money, and attract customers is next level ventures.
5. The non-HM graduates should use new business models like food trucks, cloud kitchens, and technology-driven services can help non-HM graduates compete in the market.
6. They should team up with HM Professionals, a good partnership between business-minded and skilled HM professionals can create a strong and successful restaurant.

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