

Determinants of First Generation Entrepreneurship in Telangana State

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Abstract

An attempt is made to analyze the determinants of first generation entrepreneurship. The specific objective of the paper is to characterize whether the first generation entrepreneurship is pulled or pushed. The factors considered for the purpose of the study are Unemployment, Poverty, Subsidy, Achievement motivation, Possession of required abilities, Highly potential market, Wide scope for the sustainability of the business, Significant linkage effects, and Promising future. For the purpose of the present research effort, 100 first generation entrepreneurs are selected from Rangareddy district of Telangana state mostly by adhering to the principles of stratified random sampling.

Keywords : First generation entrepreneurship, stratified random sampling

Introduction

An attempt is made to analyze the determinants of first generation entrepreneurship. The specific objective of the paper is to characterize whether the first generation entrepreneurship is pulled or pushed. The factors considered for the purpose of the study are Unemployment, Poverty, Subsidy, Achievement motivation, Possession of required abilities, Highly potential market, Wide scope for the sustainability of the business, Significant linkage effects, and Promising future. For the purpose of the present research effort, 100 first generation entrepreneurs are selected from Rangareddy district of Telangana state mostly by adhering to the principles of stratified random sampling. The criteria of stratification are location and gender. The relevant data are collected directly from the respondents by administering a pre designed questionnaire.

Major Findings

Table 1 : Unemployment

Response	Frequency	Percent	Cumulative Percent
Yes	81	81.0	81.0
No	19	19.0	100.0
Total	100	100.0	

Source: Primary data

Table-1 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely unemployment. It is observed that 81 percent of the sample entrepreneurs have become entrepreneurs due to their unemployment and 19 percent of the respondents did not subscribe to this view.

Table 2 : Poverty

Response	Frequency	Percent	Cumulative Percent
Yes	77	77.0	77.0
No	23	23.0	100.0
Total	100	100.0	

Source: Primary data

Table-2 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely poverty. It is observed that 77 percent of the sample entrepreneurs have become entrepreneurs due to their poverty and 23 percent of the respondents did not subscribe to this view.

Table-3 : Subsidy

Response	Frequency	Percent	Cumulative Percent
Yes	74	74.0	74.0
No	26	26.0	100.0
Total	100	100.0	

Source: Primary data

Table-3 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely subsidy. It is observed that 74 percent of the sample entrepreneurs have become entrepreneurs due to subsidy and 26 percent of the respondents did not subscribe to this view.

Table 4 : Achievement motivation

Response	Frequency	Percent	Cumulative Percent
Yes	83	83.0	83.0
No	17	17.0	100.0
Total	100	100.0	

Source: Primary data

Table-4 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely achievement motivation. It is observed that 83 percent of the sample entrepreneurs have become entrepreneurs due to their high level of achievement motivation and 17 percent of the respondents did not subscribe to this view.

Table 5 : Possession of required abilities

Response	Frequency	Percent	Cumulative Percent
Yes	72	72.0	72.0
No	28	28.0	100.0
Total	100	100.0	

Source: Primary data

Table-5 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely possession of required abilities. It is observed that 72 percent of the sample entrepreneurs have become entrepreneurs due to their possession of required abilities and 28 percent of the respondents did not subscribe to this view.

Table 6 : Highly potential market

Response	Frequency	Percent	Cumulative Percent
Yes	84	84.0	84.0
No	16	16.0	100.0
Total	100	100.0	

Source: Primary data

Table-6 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely highly potential market. It is observed that 84 percent of the sample entrepreneurs have become entrepreneurs due to highly potential market and 16 percent of the respondents did not subscribe to this view.

Table 7 : Wide scope for the sustainability of the business

Response	Frequency	Percent	Cumulative Percent
Yes	67	67.0	67.0
No	33	33.0	100.0
Total	100	100.0	

Source: Primary data

Table-7 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely sustainable business. It is observed that 67 percent of the sample entrepreneurs have become entrepreneurs due to sustainable business and 33 percent of the respondents did not subscribe to this view.

Table 8 : Significant linkage effects

Response	Frequency	Percent	Cumulative Percent
Yes	71	71.0	71.0
No	29	29.0	100.0
Total	100	100.0	

Source: Primary data

Table-8 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely significant linkage effects. It is observed that 71 percent of the sample entrepreneurs have become entrepreneurs due to significant linkage effects and 29 percent of the respondents did not subscribe to this view.

Table 9 : Promising future

Response	Frequency	Percent	Cumulative Percent
Yes	84	84.0	84.0
No	16	16.0	100.0
Total	100	100.0	

Source: Primary data

Table-9 deals with the distribution of the sample entrepreneurs by the determinants of their entrepreneurship namely promising future. It is observed that 84 percent of the sample entrepreneurs have become entrepreneurs due to promising future and 16 percent of the respondents did not subscribe to this view.

Table 10 : The relationship between Location and gender and determinants of first generation entrepreneurship

S.No	Determinants	Testing the Null Hypothesis	
		DF=1 LOS=0.05 Location	DF=1 LOS=0.05 Gender
		1	Unemployment
2	Poverty	Ho is rejected	Ho is not rejected
3	Subsidy	Ho is rejected	Ho is not rejected
4	Achievement motivation	Ho is rejected	Ho is not rejected
5	Possession of required abilities	Ho is rejected	Ho is not rejected
6	Highly potential market	Ho is rejected	Ho is not rejected
7	Wide scope for the sustainability of the business	Ho is not rejected	Ho is not rejected
8	Significant linkage effects	Ho is not rejected	Ho is not rejected

9	Promising future	Ho is not rejected	Ho is not rejected
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Source: primary data

The relationship between the location of the enterprise and the determinants of their entrepreneurship is found to be statistically independent except with reference to unemployment, poverty, subsidy, achievement motivation and possession of required abilities.

The relationship between the location of the enterprise and the determinants of their entrepreneurship is found to be statistically independent.

Thus, it is concluded that the determinants of entrepreneurship is identified and arranged in the descending order of endorsement which include highly potential market, promising future, achievement motivation, unemployment, poverty, subsidy, possession of required abilities, significant linkage effects, and wide scope for sustainability of business. Thus, the first generation entrepreneurship in the study area is mostly pulled rather than pushed.

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