

Barriers to entrepreneurial aspirations of students of professional courses

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Introduction

Entrepreneurship can be referred as one of the important factors of economic development. According to the research studies conducted in the USA, there is a positive link between economic development and entrepreneurship. For the last few decades, almost all over the world, entrepreneurs have been regarded as the value adding people in the society. For instance, a great entrepreneur of India, Dhiru Bhai Ambani, is a known figure for his economical, social and human contributions. Entrepreneurs are rather more important for developing countries. According to Gausch et al. (2002), the deficiency of national entrepreneurs can be the basis of macroeconomic and institutional instability in developing countries. As entrepreneurship is identical with self-employed, it is supposed to be an effective strategy in managing the issue of employability, particularly among the youths. Given these effects entrepreneurship has received much attention from researchers.

The majority of the young population of the world is in developing countries, where there is scarcity of jobs. And as their young men and women are unable to acquire formal employment opportunities; entrepreneurship plays an important role in boosting their courage and energy towards economic development. A combination of various elements can make young people become flourishing entrepreneurs and also contribute to the economic growth and development of their countries. The maximum amounts of jobs are provided by micro, small and medium sized business and behind these businesses lay the dedication and effort of an entrepreneur.

Problems

There could be several reasons for not opting entrepreneurship as a career option by students of professional courses. It is very essential to find out these barriers which are imposing limitations on young generation to become an entrepreneur. Some of the problems that have been researched upon can be listed as follows:

Table 1.1
Problems on the basis of research

Problems	Researchers
Lack of finance	Maas and Herrington 2007; Atieno 2009; Achchuthan and Nimalathasan 2012; Pretorius and Shaw 2004
Lack of Risk taking ability	Robinson 2008; Kazela 2009; Krause 2008

Lack of business skills	Papulova and Makros 2007
Lack of managerial competency and skill	Peterman and Kennedy 2003
Fierce competition	Krause 2008
Family responsibilities	Krause 2008
Lack of support from government and non government organizations	Achchuthan and Nimalathan 2012
Being too young	Krause 2008
Lack of courage	Krause 2008
Lack of education and training	Herrington et al. 2009
No passion	Krause 2008

REVIEW OF LITERATURE

For any research to be successful literature forms the base. The literature available on entrepreneurship throws light on many issues of entrepreneurship. Hence it would be meaningful to examine the earlier studies in the area of problems being faced by aspiring entrepreneurs in choosing entrepreneurship as a career.

Chigunta (2002) in research “**Youth entrepreneurship : meeting the key policy challenges**” aimed to stimulate policy debate on the possible benefits of entrepreneurship as a viable career option, various obstacles being faced and the policy measures and strategies can be started to support it. Due to the general lack of accurate and systematic data on youth, especially regarding youth entrepreneurship, the researcher looks upon a variety of sources to do the analysis. The researcher conducts an extensive review of literature and discussed certain problems being faced by youth such as finance, challenge of age, limited life and work experience. It gives various suggestions for the purpose of enhancement of youth entrepreneurship such as access to credit policies, research and development in the area.

Douglas and Shepherd (2002) in their research note “**Self employment as a career choice: Attitudes, entrepreneurial intentions and utility maximization**” tried to empirically explore people’s attitudes towards job characteristics and career choice. More specifically the relationship between career choice and people’s attitude towards income, independence, and risk & work effort was studied. Conjoint analysis was the statistical tool applied to analyze the data. The results indicated a significant relationship between the utility expected from the job and the independence, risk and income. Also, the intention to become self employed was strongly related to the respondents tolerance for risk and also their preference for being independent. While choosing career individuals evaluate alternative career options on the basis of risk, independence and income.

Krause (2008) in his research entitled, “**The intentions of undergraduate Chinese students towards entrepreneurship as a career**” laid emphasis on the increasing employment gap, affecting highly educated university graduates. The researcher tried to examine the perception of Chinese university students towards entrepreneurship. It was found that Chinese students exhibit a high desire towards entrepreneurship. However the factors such as lack of knowledge and inadequate seed funding are having a negative impact on entrepreneurial intentions of such students. The study also gave certain implications for future research, such as desire of Chinese students to become entrepreneurs regardless of their family background. Various entrepreneurial courses and incubation services should be provided to university graduates to further increase the entrepreneurial intentions.

Pahurkar (2009) in his PhD thesis “**An empirical study of problems and prospects of entrepreneurship development through management education with special reference to university of Pune**” examined whether it is possible to make more number of entrepreneurs among students of management education by studying the students’ perception about management education and entrepreneurship. Convenience sampling method was used to collect data on the basis of personal interviews, telephone interviews and panel survey. The research was conducted on 500 management students and 26 entrepreneurs who had formal education in management from the University of Pune. The study observed that the present management education is developing very few numbers of entrepreneurs; rather it is developing managers to work for others. It was also found that the socioeconomic parameters also influence the career decisions of students. The study further highlighted that people who have professional degrees are more into entrepreneurship. The researcher suggested that new course in MBA – Entrepreneurship Development should be started to promote entrepreneurship as a career option.

Shariff and Saud (2009) in their research paper “**An attitude approach to the prediction of entrepreneurship on students at institution of higher learning in Malaysia**” tried to explore the attitude of students of higher learning in Malaysia towards entrepreneurship. The study was conducted on 58 undergraduates who minored in entrepreneurship course and 65 non minored undergraduates from the faculty of Business management in one of the institutions of higher learning in Malaysia. The data were collected with the help of entrepreneurial Attitude Orientation (AO) scale instrument. Various statistical tools such as Discriminant validity, MANOVA were applied to know the results. The study concluded that there was a significant difference between the undergraduates minored in entrepreneurship and the non minored entrepreneurship undergraduates on two sub-scales, i.e. self esteem and personal control out of the four subscales tested (self esteem, personal control, achievement and innovation).

Fatoki and Olufunso (2010) in his study “**Graduate Entrepreneurial Intention in South Africa: Motivations and Obstacles**” empirically investigated the motivations and obstacles to graduate entrepreneurial intention in South Africa. The self administered questionnaire was used and the data were collected from 701 final year students. Different statistical techniques such as principal component analysis,

t-test and descriptive statistics were used for data analysis. The results revealed that the entrepreneurial intention of graduates in South Africa is very weak. The study also identified the motivators and obstacles of entrepreneurial intention. The motivators were employment, creativity, autonomy, economic and capital and the obstacles identified were skill, capital, support, risk, economy and crime. It was also suggested to reinforce the motivators and reduce the obstacles to improve the entrepreneurial intention and it also necessitated for government support initiatives be efficient.

Zain et al. (2010) in their study “**Entrepreneurship Intention among Malaysian Business Students**” examined the entrepreneurial intentions of Malaysian business students. The study tried to find whether personality traits and environmental factors had an influence on students’ intentions to become an entrepreneur. Using a self administered questionnaire data was collected from 230 undergraduate business students of a public university in Malaysia. It was found that more than half of the respondents had intentions to become an entrepreneur. Their decision to become an entrepreneur was influenced by their family members, academics and educational courses regarding entrepreneurship. It was also found that personality trait was a more influential factor as compared to environment, having influence on students’ entrepreneurial intentions. Thus the study implicates the academics to play a more important role to encourage students to opt for entrepreneurial careers.

Fatoki and Chindoga (2011) in their research paper “**An investigation into the obstacles to the youth entrepreneurship in South Africa**” investigated the obstacles to youth entrepreneurial intention. The data were collected from high school students and university students with the help of self administered questionnaires. Further, the data was analyzed with the help of descriptive statistics, the principle component analyzes and T-test. It was found that youth considered lack of capital as the main obstacle towards entrepreneurship, followed by lack of skill, lack of support, lack of market opportunities and risk as other obstacles. These obstacles were perceived by both high school students and university students. However, high school students had higher fear of risk as compared to university students. It was found that obstacles to youth entrepreneurship intention had a negative impact on youth actual entrepreneurship.

Objective: To examine the problems faced by students of professional courses in choosing entrepreneurship as a career

Data collection The research design for the present study cover’s both the primary data and secondary data. The present study is focused on the students pursuing professional courses at the post graduate and undergraduate level enrolled in various universities in the state of Punjab. The sample of the present study comprised of 500 students studying in different professional courses such as (M.B.A, Pharmacy, Engineering and computer applications).The sample was taken from 3 public universities (i.e. Punjabi university, Panjab university and Punjab technical university) and 3 private universities (i.e. Chitkara university, Chandigarh university and Lovely professional university) providing professional education in

the state of Punjab. Out of this some questionnaires were incomplete and inappropriate and only 484 questionnaires were included for final survey.

Instrument of data collection

In order to measure the impact of problems on entrepreneurial career aspirations of students a self-administered questionnaire was drafted based on secondary data collected. The questionnaire yielded a Cronbach alpha of 0.715, which is considered good (Nunnally 1978).

Tools used for Data Analysis

SPSS 13.0 Update Version (Statistical Package for the Social Sciences) was used for data analysis.

Barriers to entrepreneurship

1. Availability of finance

Table 1.2
Availability of finance

Degree of influence	Frequency	Percentage	Remarks
More important	374	77	{ } 92.2
Somewhat Important	74	15.2	
Neutral	23	4.7	
Less important	7	1.4	{ } 3
Very less important	8	1.6	

The analysis of above data indicates that the vast majority of the respondents (92.2%) think that unavailability of finance is a major barrier to start any business activity, whereas only (3%) of respondents thinks finance has less influence as a barrier to start business activity.

2. Availability of Raw material

Table 1.3
Availability of Raw material

Degree of influence	Frequency	Percentage	Remarks
More important	298	61.3	{ } 89.1
Somewhat Important	135	27.8	
Neutral	37	7.6	
Less important	10	2.1	{ } 3.3
Very less important	6	1.2	

The analysis of above data indicates that the vast majority of the respondents (89.1%) think that unavailability of Raw material is the major barrier to start any business activity, whereas as very less

number (3.3%) of respondents thinks Unavailability of Raw material has less influence as a barrier to start business activity.

3. Availability of Labour

Table 1.4
Availability of Labour

Degree of influence	Frequency	Percentage	Remarks
More important	246	50.6	} 81.9
Somewhat Important	152	31.3	
Neutral	68	14	
Less important	13	2.7	} 4.1
Very less important	7	1.4	

The analysis of above data indicates that the vast majority of the respondents (81.9%) thinks that unavailability of Labour is a major barrier to start any business activity, whereas only a very few (4.1%) considered the availability of labour to be an important barrier.

4. Bad experience of own

Table 1.5
Bad experience of own

Degree of influence	Frequency	Percentage	Remarks
More important	74	15.2	} 53.5
Somewhat Important	186	38.3	
Neutral	133	27.4	
Less important	69	14.2	} 19.1
Very less important	24	4.9	

The analysis of above data indicates that almost half of the respondents (53.5%) think that Bad experience of own is a major barrier to start any business activity, whereas as comparatively less number (19.1%) of respondents thinks own Bad experience has less influence as a barrier to start business activity. Almost 1/4th of the respondents (27.4%) remained neutral regarding own experience as a barrier to entrepreneurship.

5. Bad experience of others

Table 1.6
Bad experience of others

Degree of influence	Frequency	Percentage	Remarks
More important	71	14.6	} 47.3

Somewhat Important	159	32.7	
Neutral	147	30.2	
Less important	61	12.6	
Very less important	48	9.9	22.5

The analysis of above data indicates that the majority of the respondents (47.3%) think that Bad experience of others as a barrier to start any business activity has more influence, whereas as comparatively less number (22.5%) of respondents thinks Bad experience of others has less influence as a barrier to start business activity. Almost 30.2% respondents remained neutral to this barrier.

6. Educational background

Table 1.7
Educational background

Degree of influence	Frequency	Percentage	Remarks
More important	247	50.8	
Somewhat Important	112	23	
Neutral	64	13.2	
Less important	42	8.6	
Very less important	21	4.3	73.8

The above analysis is indicating that the majority of the respondents (73.8%) is having the opinion that an educational background has an influence on the starting a business venture. The selection of business activity is based on what kind of educational background one has. A comparatively less number of respondents (12.9%) have an opinion that educational background is having fewer roles in deciding the kind of business activity.

7. Corruption

Table 1.8
Corruption

Degree of influence	Frequency	Percentage	Remarks
More important	89	18.3	
Somewhat Important	92	18.9	
Neutral	119	24.5	
Less important	79	16.3	
Very less important	107	22	37.2

The analysis of above data indicates that 37.2% of the respondents think that Corruption is a major barrier to start any business activity, whereas as 38.3% of respondents think Corruption has less influence as a barrier to start business activity. 25.4% respondents were neutral regarding corruption as a barrier to entrepreneurship.

8. Environmental conditions

Table 1.9

Environmental conditions

Degree of influence	Frequency	Percentage	Remarks
More important	202	41.6	{ } 73.5
Somewhat Important	155	31.9	
Neutral	82	16.9	
Less important	32	6.6	{ } 9.7
Very less important	15	3.1	

The analysis of above data indicates that vast majority of the respondents (73.5%) thinks that Environmental Conditions are major barrier to start any business activity whereas as comparatively very less number (9.7%) of respondents thinks Environmental Conditions has less influence as barrier to start business activity.

9. Family Background

Table 1.10

Family Background

Degree of influence	Frequency	Percentage	Remarks
More important	145	29.8	{ } 55.3
Somewhat Important	124	25.5	
Neutral	112	23	
Less important	67	13.8	{ } 21.6
Very less important	38	7.8	

The analysis of above data indicates that the majority of the respondents (55.3%) thinks that family background is a major barrier to start any business activity, whereas as comparatively very less number (21.6) of respondents think that family background has less influence as a barrier to start business activity.

10. Fear of failure

Table 1.11
Fear of failure

Degree of influence	Frequency	Percentage	Remarks
More important	85	17.5	} 42.8
Somewhat Important	123	25.3	
Neutral	147	30.2	
Less important	72	14.8	} 26.9
Very less important	59	12.1	

The analysis of above data indicates that the majority of the respondents (42.8%) thinks that Fear of failure is a major barrier to start any business activity, whereas as comparatively less number (26.9%) of respondents thinks Fear of failure has less influence as a barrier to start business activity.

11. Friends/Relatives

Table 1.12
Friends/Relatives

Degree of influence	Frequency	Percentage	Remarks
More important	114	23.5	} 54
Somewhat Important	148	30.5	
Neutral	120	24.7	
Less important	74	15.2	} 21.4
Very less important	30	6.2	

The above analysis is indicating that majority of the respondents (54%) are having the opinion that Friends/Relatives have more influence on the starting a business venture. Type of friend circle one is having has an influence in deciding career option. A comparatively less number of respondents (21.4%) have an opinion Friends/Relatives have small role in deciding the kind of business activity.

12. Government policies/ Support

Table 1.13
Government policies/ Support

Degree of influence	Frequency	Percentage	Remarks
More important	202	41.6	} 77
Somewhat Important	172	35.4	
Neutral	68	14	

Less important	32	6.6	}	9.1
Very less important	12	2.5		

The analysis of above data indicates that the vast majority of the respondents (77%) thinks that Government Policies/Support is a major barrier to start any business activity, whereas the comparatively less number (9.1%) of respondents thinks Government Policies / Support has less influence as a barrier to start business activity.

13. Practical values

Table 1.14
Practical values

Degree of influence	Frequency	Percentage	Remarks
More important	219	45.1	}
Somewhat Important	152	31.3	
Neutral	60	12.3	
Less important	33	6.8	}
Very less important	22	4.5	

The above analysis is indicating that the vast majority of the respondents (76.4%) is having the opinion that Practical values have more influence on the starting a business venture. A comparatively less number of respondents (11.3%) have an opinion that Practical values have less influencing role in starting of business activity.

14. Religion/Caste

Table 1.15
Religion/Caste

Degree of influence	Frequency	Percentage	Remarks
More important	64	13.2	}
Somewhat Important	67	13.8	
Neutral	101	20.8	
Less important	86	17.7	}
Very less important	168	34.6	

The above analysis is indicating that the vast majority of respondents (52.3%) is having an opinion that now a day's caste/religion is no more a deciding factor to start any business activity. Very few respondents (27%) are of the opinion that caste/ religion has an influence to start entrepreneurial careers. It indicates that

in modern time's caste/ religion is losing its importance as a factor to decide career, which it used to have in the past.

15. Social Status

Table 1.16

Social status

Degree of influence	Frequency	Percentage	Remarks
More important	109	22.4	} 48.1
Somewhat Important	125	25.7	
Neutral	99	20.4	
Less important	82	16.9	} 31.5
Very less important	71	14.6	

The above analysis is indicating that the majority of the respondents (48.1%) is having the opinion that Social status has more influence and 31.5% respondents think social status has less influencing role in deciding the kind of business activity.

16. Society

Table 1.17

Society

Degree of influence	Frequency	Percentage	Remarks
More important	122	25.1	} 52.3
Somewhat Important	132	27.2	
Neutral	109	22.4	
Less important	64	13.2	} 25.3
Very less important	59	12.1	

The above analysis is indicating that more number of the respondents (52.3%) are having the opinion that the Society has influence on the starting a business venture. A comparatively less number of respondents (25.3%) have an opinion that the Society has less influencing role in deciding the kind of business activity.

Conclusion

Availability of finance has been considered as the major barrier towards entrepreneurial career followed by the availability of raw material and labour. The research also established various other barriers which are considered important such as government policies and procedural formalities, lack of practical knowledge, educational background, environmental conditions, family background, friends and relatives, bad experience, society, social status, fear of failure and corruption. There was also an interesting finding that the vast majority of respondents are having an opinion that now a day's caste/religion is no more a deciding

factor to start any business activity. It indicates that in modern time's caste/ religion is losing its importance as a factor to decide career, which it used to have in the past.

SUGGESTIONS

- One of the reasons why students of professional courses in Punjab are unwilling to get into entrepreneurship is lack of capital, lack of business skills, government support and risk involved. Entrepreneurship education can be provided is one of the initiatives to enhance skills and knowledge in entrepreneurship. Entrepreneurial education can be used to provide the basics of practical business practices.
- In addition, expert financial training should be provided to increase the chances of potential entrepreneurs securing suitable and reasonable finance. To develop further entrepreneurial finance skills and competencies, government can work with different banks and financial institutions to develop training focusing on finance skills and competencies.
- It is recommended that university students should go for industrial attachments for at least a year during their study to gain valuable business experience. Educational institutions should become more active to provide practical knowledge in the field of entrepreneurship. When learners are molded into entrepreneurship from an early age, it becomes easier to develop successful ventures. There is the need for government support initiatives are well-organized.

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Annexure

Rate the importance of following factors/barriers on development of entrepreneurial activity on the scale of 1 to 5, where 1=more important to 5= very less important {Please tick mark (✓) on appropriate box}

Important factors	More	Somewhat	Neutral	Less	Very less
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		important	Important		important	important
1	Availability of finance					
2	Availability of raw material					
3	Availability of labour					
4	Bad experience of own					
5	Bad experience of others					
6	Educational background					
7	Corruption					
8	Environmental conditions					
9	Family background					
10	Fear of failure					
11	Friends/ Relatives					
12	Government policies/support					
13	Practical values					
14	Religion/caste					
15	Social status					
16	Society					

