

# “EVALUATION OF THE INFLUENTIAL FACTORS OF ENTRPRENEURSHIP THAT COMPEL INDIVIDUAL TO BECOME ENTREPRENEURS”

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## **ABSTRACT**

*This research helps to understand the factors that drive individuals to become entrepreneurs. To understand the challenges faced by entrepreneurs, these research is necessary. This research helps to explain how entrepreneurs fill a void in the market. Entrepreneurship is relevant because, not just for entrepreneurs but also for related businesses, it is capable of raising living standards and generating income. This research would help to develop job opportunities. To research and understand the various factors influencing entrepreneurs, to analyze and understand how entrepreneurs produce business concepts and the variables influencing their entrepreneurship are studied. Challenges faced by entrepreneurs in their journey to analyze and understand the issues CHI SQUARE Test is applied to determine the factor to be an entrepreneur.*

*Keywords; factor, entrepreneurs, challenges, income, entrepreneurship, chi square test.*

## **I. INTRODUCTION**

Environmental, personal, social and economic factors may result in an entrepreneurial career being pursued by an individual. Unfavorable working conditions or unsatisfactory employment in the workplace influence people to be entrepreneurs. There are different things that influence people to be an entrepreneur, some of which are lack of exciting employment, lack of work opportunities in an interested sector, being their own boss. Entrepreneurship is not only a stage in which a new company is designed, established and operated, but also a small company in the beginning. The people who create these businesses are called entrepreneurs. In order to establish, coordinate and manage a business venture and take all kinds of risks and manage funds to earn maximum profit for day-to-day operations and venture growth, entrepreneurs use their talent, skills, knowledge and willingness. Entrepreneurship is influenced by four distinct factors:

- a. Economic factor,
- b. Social factor,
- c. Cultural factor &
- d. Personality factor

In order to make a profit, entrepreneurship is the skill and desire, along with all its complexities, to develop, organize and run a business enterprise. The most famous example of entrepreneurship is starting new businesses. In economics, entrepreneurship associated with land, labor, natural resources and capital may make a profit.

## **INDIAN SCENARIO OF ENTREPRENEURSHIP**

Many young and dynamic Indians take the path of entrepreneurship, which not only moves them ahead, but the entire nation as well. From attracting investment from other nations, to generating work opportunities for fellow Indians, these entrepreneurs have changed the way the world looks at India. There is no doubt that entrepreneurship can have a big impact on the economy of a country, so entrepreneurs are often seen as national assets, empowered and remunerated by various government agencies. Not only can they increase our standard of living, but they also contribute actively to the economy's development

## **IMPACT OF COVID 19 ON TODAY ENTREPRENEURSHIP**

Entrepreneurs must confront a new reality in the face of the global COVID-19 pandemic: that it is not just a huge health and sanitation epidemic affecting millions, or even billions, of people across the globe. This is causing an unprecedented recession in the global economy as well. These entrepreneurs should be prepared to lose 50 to 80 percent of their sales in COVID-impacted economies, as well as a significant portion of their market value. The 2019 fundraising of the company (\$310 m) defined its valuation at \$2.4 billion. But by May this year, Uber's planned investment priced the business at just \$510 m.

## **II. RESEARCH METHODOLOGY**

### **NEED OF THE STUDY**

This study helps to understand the factors that inspire individuals to become entrepreneurs and to understand the obstacles facing entrepreneurs. This analysis helps to understand how entrepreneurs fill the void in the market. Entrepreneurship is relevant because, not just for entrepreneurs but also for related businesses, it is capable of raising living standards and generating profits. This study would help to generate job opportunities.

### **OBJECTIVES OF THE STUDY**

The aim is to research and understand the multiple factors that affect entrepreneurs, examine and understand how entrepreneurs generate business ideas and the factors that affect their entrepreneurship, examine and understand the issues, challenges faced by entrepreneurs in their journey, assess an entrepreneur's risk and benefit factors during their entrepreneurship and examine.

### **SCOPE OF THE STUDY**

- a) The latest research focuses on the variable that affects entrepreneurs.

- b) It also includes the variety of risks, difficulties and obstacles faced by the entrepreneur during the course of his entrepreneurship.
- c) This research also covers how entrepreneurs solve various issues in different issues.
- d) This research focuses on the variables that contribute to entrepreneurial success.

## **HYPOTHESES OF STUDY**

The following hypotheses are framed with the available literature

Ho1: There is no significant association between entrepreneurial education qualification and entrepreneurship

Ho2: There is no significant association between entrepreneurial gender and entrepreneurship

Ho3: There is no significant association between entrepreneurial marital status and entrepreneurship

Ho4: There is no significant association between entrepreneurial age and entrepreneurship

Ho5: There is no significant association between entrepreneurial religion and entrepreneurship

Ho6: There is no significant association between entrepreneurial race and entrepreneurs

Ho7: There is no significant association between entrepreneurial stress and entrepreneurship

Ho8: There is no significant association between entrepreneurial business background and entrepreneurship

Ho9: There is no significant association between entrepreneurial annual income and entrepreneurship

Ho10: There is no significant association between entrepreneurial business experience and entrepreneurship

## **STATICAL TOOL USED FOR THE STUDY**

The methods used for the analysis are based on the collected data. Since this research is subject to primary data, many tests and methods have been used to evaluate. Some of them are:

1. Statistical tools:
  - Chi-square

## **SAMPLE SIZE**

A sample of 250 entrepreneurs was chosen for this research and the questionnaire was extensively administered, out of which only 154 filled in responses that were ultimately chosen for the report.

### III. DATA ANALYSIS

Level of significance = 5%

Chi Square Formulae

$$\chi^2 = \sum \frac{(O_i - E_i)^2}{E_i}$$

**Note:**

- $O_i$ = Observed frequency
- $E_i$ = Expected frequency

From response of entrepreneurs the following the data have been collected and these data are manipulated according to the Chi Square Test which helps in determination of association between factor influencing for being entrepreneurship

31.27% of entrepreneurial are below graduation and 68.83% are above graduation

63.93% are male entrepreneurial and 35.07% are female entrepreneur

56.84% are single entrepreneurial and 43.16% are married entrepreneur

54.8% are below 30 age entrepreneurial, 21.13% are 30-40 age, 18.83 % are 40-50 age and 5.24% are above 50 age entrepreneur

80.8 % are Hindu entrepreneurial, 8.74% are Muslim and 10.46 % are Christian entrepreneur

6.49% entrepreneurial always face problem because of race, 30.87% entrepreneur face sometime problem, 31.16% face rarely and 32.48% never faces problem because of race, castes and religion

15.93% entrepreneurial faces stress from business risk, 24.32% from competition, 14.93% faces from government rule & regulation, 2.59 % from political pressure, 9.09% from local aggressive people, 13.63% from family health, 12.98% from fast moving trend, and 6.53% faces problem from lack of government support

50.94% entrepreneurial have business background before starting own business and 49.06% entrepreneur don't have business background before starting own business

39.31% entrepreneur have annual income below 2.5 lakhs, 42.5% have annual income 2.5-10 lakhs, 16.88% have annual income of 10-50 lakhs and 1.31% have annual income above 50 lakhs

43.5% entrepreneur have business experience before starting own business and 56.5% don't have business experience before starting own business

Hypotheses	Test	Calculated Value	Degree Of Freedom = (r-1)(c-1)	Table value
Ho1	Pearson Chi Square	23.58349782	6	12.59
Ho2		5.47428	6	12.59
Ho3		11.2898226	6	12.59
Ho4		71.85	12	21.03
Ho5		14.86707635	10	18.31
Ho6		11.176453539	12	21.03
Ho7		37.12862203	28	41.30
Ho8		31.01778957	5	11.07
Ho9		15.37562436	12	21.03
Ho10		22.52193484	4	9.49

*Source: Calculated on excel based on the data collected from survey conducted during January – September 2020*

**IV. FINDINGS AND RESULTS**

S No.	HYPOTHESES	RESULT
1	There Is No Significant association Between entrepreneurial education and Entrepreneurship	Rejected
2	There Is No Significant association Between entrepreneurial gender and Entrepreneurship	Accepted
3	There Is No Significant association Between entrepreneurial marital status and Entrepreneurship	Accepted
4	There Is No Significant association Between entrepreneurial age and Entrepreneurship	Rejected
5	There Is No Significant association Between entrepreneurial Religion and Entrepreneurship	Accepted
6	There Is No Significant association Between entrepreneurial Race and Entrepreneurship	Accepted
7	There Is No Significant association Between entrepreneurial Stress and Entrepreneurship	Accepted
8	There Is No Significant association Between entrepreneurial Business Background and Entrepreneurship	Rejected
9	There Is No Significant association Between entrepreneurial Annual Income and Entrepreneurship	Accepted
10	There Is No Significant association Between entrepreneurial Business Experience and Entrepreneurship	Rejected

- a) It has been understood from the study survey findings that 26 percent of entrepreneurs have completed their secondary education, 46.1 percent of entrepreneurs have graduated, and 21.4 percent of post-graduation entrepreneurs have done so.

- b) According to the study's report, 15.6% of entrepreneurs have three family members, 31.2% of entrepreneurs have four family members, and 51.3% of entrepreneurs have more than four family members.
- c) It was discovered that 51.9 percent of entrepreneurs have a history of family business and 48.1 percent of entrepreneurs have no history of family business.
- d) From the findings of the research study, 43.5% of entrepreneurs have business experience before starting their own business and 56.5% of entrepreneurs do not have business experience before starting their own business.
- e) It can be inferred from the survey results that 38.3% of entrepreneurs have an annual revenue of less than 2.5 lakhs, 43.5% of entrepreneurs have an annual revenue of 2.5 to 10 lakhs, and 16.9% of entrepreneurs have an annual revenue of 10 to 50 lakhs.
- f) 13% of entrepreneurs are affected by peers, 8.4% of entrepreneurs are influenced by society, 27.3% of entrepreneurs are influenced by their own creativity, 11% of entrepreneurs are affected by the need for money, and 39.6% of entrepreneurs are affected by other factors.
- g) The sample review reveals that 14.9% of entrepreneurs are engaged in fashion design and textile and clothing businesses, 11.7% of entrepreneurs are engaged in educational tutoring, 13.6% of entrepreneurs are engaged in food and beverage businesses, 15.6% of entrepreneurs are engaged in building businesses, 7.8% of entrepreneurs are engaged in food and beverage businesses.
- h) From the research survey result, It has been understood that 43.5 % of the entrepreneurs run their business with 1 to 5 employees, 29.9 % of the entrepreneurs run their business with 5 to 20 employees, 14.3 % of the entrepreneurs run their business with 20 to 40 employees, and 9.1 % of the entrepreneurs run their business with 40 to 60 employees.
- i) From the analysis, It indicates that 22.7 % of the entrepreneurs choose business instead of doing work for financial freedom, 19.5 % of the entrepreneurs choose family business instead of doing work, 18.8 % of the entrepreneurs do business as a source of income, 24 % of the entrepreneurs do business as a passion, and 12.3 % of them do family support

## V. CONCLUSIONS

The combination of numerous factors affects the individual as an entrepreneur, such as personal factors, business factors, social factors, economic factors, cultural factors, political and technical factors. The majority of people are entrepreneurs with their own family business. In entrepreneurial life, strong peer groups and strong networking are too important to reduce risk or stress and provide ideas to deal with numerous problems. The entrepreneur who wants to improve their company rapidly should obtain input from clients, suppliers and workers to understand that there are no variables.

This study shows that the need for skilled manpower in industry is rising as entrepreneurs face a shortage of skilled human resources. After becoming entrepreneur dramatic changes can be seen in their life style. Business success depends on team work or staff, if staff are committed to their job, they will better contribute to organization.

## VI. SUGGESTIONS

- a) It is not an simple task to be an entrepreneur as many individuals came up with their company and were also dissolved, to be a good entrepreneur in the long run must examine the factor affecting company.
- b) Risk factor, completion, location, type of business, production cost, demand and so on must be considered before starting a business, for all these feasible factors study must be done.
- c) Each business is carried out in risk and insecurity, where stress is present in risk and uncertainty. People should be able to handle risk and stress as an entrepreneur so that it does not affect day-to-day work, company, family, relationships, health and so on.
- d) The business entrepreneur must do SWOT analysis to reduce risk and inspire, which aims to assess the strength, weakness, opportunities and threat of business..

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