

# Importance of Entrepreneurship Education Partnering for Employability of fresh graduates of Indian Universities

Supernova Chakraborty, Santosh Kumar Singh

**ABSTRACT**-- *Inspired by the soaring rate of unemployed graduates in India due to inadequate exposure to constructive entrepreneurial skills development, the following study has been developed. The aim of the study is to create a collaborative partnering model which comprises of Students, Public and Private Institutes in order to develop employability skills in India. Several methods have been employed to collect data and non-parametric statistics of 480 students from various universities in North India to explore their entrepreneurial perception. As an investigation outcome, it is discovered that those understudies, who took part in pioneering additional educational module exercises, had the chances to be prepared by achieved scholarly and business pioneers. This new experience which was enhanced by critical personality traits and skills to manage business, has favoured the students for entrepreneurial venturing post-graduation. This distinction is unmistakable between those understudies who didn't take part in these additional educational program innovative exercises.*

**Index Terms**–*Entrepreneurship, Internship, On job Training, Skills Development*

## I. INTRODUCTION

This paper represents that a sustainable economic and social progress relies on Entrepreneurial skill development (Ebiringa, 2012). In the 21<sup>st</sup> century economy where everything is based on knowledge, Innovativeness and creativity are vital to deliver sustainable human development and prosperity (Baker and Nelson, 2005). The point of regional training is to give viable aptitudes and encounters to the recipients so as to roll out positive improvements in the public arena. With their capacity to draw in pioneering experts and academicians with entrepreneur's experiences, undergrads/grad students, and industry experts, the regional organizations have effectively settled a situation in the worldwide positioning. These organizations flourish to give advanced education which centres on employability abilities improvement. This vision has connected the greater part of such foundations into the worldwide systems of Business entrepreneurs clubs to create skilled and innovative business pioneers.

To resolve this issue of unemployment amongst the fresh graduates, especially in a young nation like India, it is significant to have SEC (Student Entrepreneur Club) in all the regional Institutes. Having such units like SEC provides an opportunity to students to take part in innovative

exercises that give the basic aptitudes to the business people and the ambitious innovators to kick off the way toward executing wanted changes in the globalized business condition with the constructive intensity of business (Barcelona and Valida, 1994). This SEC motivates the students in every single regional institute to cooperate with scholastic and business pioneers, to actualize out-of-class innovative activities which are centred on finding answers for social, monetary and natural issues.

The SEC from different regions across the globe have taken small entrepreneurial actions that have led to various positive changes through profoundly significant and manageable formative activities. The youth is getting continually driven and motivated by such passion to get progressively positive changes the present reality. Such SEC are giving a platform for undergraduate students so that they can involve and engage in skilled and ethical creation of futuristic leaders in the world of business. These SEC encourage the undergraduate students to take a lead in the evolution of their future as it is clear that their prior non-involvement in the out-of-classroom activities has led to unemployment, inequality, poverty and insecurity. This condition is prevalent in a developing country like India where the corrupted citizens appear stronger than the State in terms of economy. This condition of the country has motivated this paper where the point is to advance student driven tripartite open – private association commitment so as to give a socially, financially and naturally practical structure which will address the issue of absence of employability abilities in the college understudies in every single Indian Institute. In this paper, we shall compare the entrepreneurial dispositions of undergraduates who participate in SEC activities with those students who do not engage in such clubs. Based on psychological abilities related to business, we intend to separate the two classifications of such college understudies. Our point is to advance the foundation of student business enterprise clubs in the provincial organizations in India by expressing the advantages and characteristics of these clubs.

## II. THEORETICAL BACKGROUND

It is found that the entrepreneurs embody a certain distinctive personality which has become the base for most of the research in entrepreneurship. These identity

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characteristics can be distinguished and utilized further to demonstrate the potential for business enterprise (Barcelona & Valida, 1994). We are aware that in the world economic order, entrepreneurship holds a great value. It is not difficult to separate the students who have particular enterprising potential than the individuals who don't. The educational institutes can use such distinguishable factors linked with entrepreneurial potential to create entrepreneurship clubs. These clubs can create and improve such factors to energize student business ventures. The undergraduates in Indian institutes have been commonly said to not possess employability skills which is the reason for extremely high youth unemployment rate in the country and that is why this study is significant.

To counter this unemployment problem, the government education authorities have decided to implement compulsory entrepreneurial courses in curricula of programs. Even though, the regional institutes have implemented specialized courses but the extent to which these courses are encouraged and promoted to make sustainable positive changes among students, is still questionable. During the adolescent years, it is firmly believed that a basic knowledge of entrepreneurship can be acquired and a positive attitude can be fostered towards the same (Ebiringa, 2011a). It is important to identify and nurture the entrepreneurial potential in the students at the undergraduate level only because then there are high chances of self-employment as a career choice for them.

Established in 1975, Enactus which is a non-profitable students' entrepreneurial organization, is a partnership between the regional institutes and business organizations which thrive to develop business leaders in hope of creating a better world. Enactus connects the students, educational institutes and businesses along with focusing on development of new business leaders professionally and personally. The organization also thrives to create new learning opportunities, new research and business practices; and better communication among all the parties. Enactus aims to make students get successful through practical entrepreneurial education and allow them make significant positive changes in world.

The organization has set a vision to inspire the youth to create and implement outreach entrepreneurial projects that can help in making a difference in their communities. These projects can enhance the quality and standard of living for all the members of the communities. Struggling business owners, new entrepreneurs, poor families and youth can get successful through such efforts made by Enactus. This student organization is funded by national, local and global sponsors. Additionally, these sponsors provide their expertise and valuable time to guide the students.

With the help of this organization, the students can achieve tremendous professional and personal growth. Enactus ensures to train the students in regional institutes to become successful leaders of socially responsible businesses with a sustainable environment. They also thrive to create a better world with stronger communities. The researches and development partners agree that entrepreneurship education is crucial to stimulate economic development which is sustainable too. Entrepreneurial education is on high demand as it can provide skills and significant changes

which are required for a divergent and competitively globalized system.

"Business enterprise" can be a definitive answer for early stage depression among students (Acs and Szerb, 2007). It has been perceived by the world economies that entrepreneurship attracts attention of the governments and workers (Huang, 2010) and business can strengthen the country economy (Chen, 2012). This means that entrepreneurship can make positive changes in the unemployment status, national productivity and income for struggling families (Jennings & McDonald, 2007). It is proved by many psychologists that attitude has a big influence on the human behavior. It serves as the basis of a person's perspective and view towards the external world. Therefore, it is vital to understand the attitude so that a reaction can be probed accordingly. Also, it is easy to predict someone's attitude and behavior by analyzing their attitude (Promundo, 2010). Students have great potential to serve the communities and make positive changes in the society, thus researches have analyzed the skills, personalities and attitudes of various students. The PCSE (Psychological Characteristics School of Entrepreneurship) expressed that the understudy business enterprise clubs give the understudies' chances to pick up esteems, abilities and the correct disposition to become effective in both scholastic and expert life. (McMullan et al., 2002).

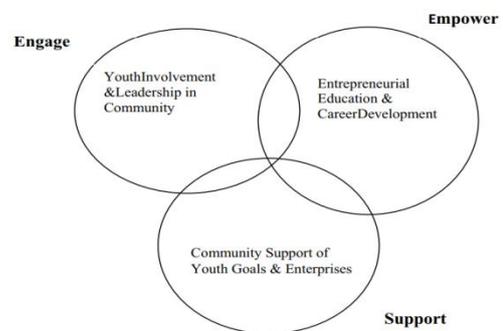


Figure 1. Entrepreneurship Education Partnering for Employability

The students who possess similar qualities like entrepreneurs tend to implement entrepreneurial actions. This characteristic is easily distinguishable with those students who do not take such actions. Entrepreneurship exhibits characteristic such as the need for success, need for affiliation and tolerance. These qualities together can make convert a student into an entrepreneur. With entrepreneurship education, students get the chance to develop skills and understand the concepts to identify different opportunities. These opportunities are often overlooked by others, however with the adequate skills, the students can make the changes that others hesitated with. These student entrepreneurship clubs are trying to be a catalyst that can influence the students to change their mindsets (Henry & Hill, 2005).

The structure for an entrepreneurship enhancement program can be separated into the accompanying exercises:



- The advancement and execution of a legitimate pioneering society at the local establishments.
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- Programs and Majors that grant degrees.
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- Incorporating out-of-classroom training events similar to Enactus and other Students Entrepreneurship Club.
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For a balanced program between studies and entrepreneurship (De Mel et al., 2012), the following have to be the key components:

- Training on business ideas
- Competitions and coaching along with practices on business-planning
- Enhanced communication between students and leaders.
- Support from the Institutions in form of meeting space, market- research resource, seed funding, etc.

By using various students, a lot of studies have been performed where entrepreneurial characteristics were isolated. The entrepreneurial educators should establish the variations in students based on their entrepreneurial skills and personalities. Various researchers have identified differences between students and students with entrepreneurship ability by studying the particular characteristics linked with entrepreneurship. They have stated that instead of awareness and perception, it is psychological attribute that depicts the entrepreneurial behavior and potential of a student.

Various psychological traits can be identified in order to predict the entrepreneurial behavior of a student. Lumpkin and Erdogan (2004) tried to estimate the eagerness for success, affiliation and power in entrepreneurs as compared to their counterparts. Kantor (1988) thinks that many personal characteristics and attributes are linked to success in entrepreneurship. These characteristics include skills, attitudes, creativity, risk-taking, etc. Ebinga (2011b) suggested that motivation and risk-taking are the key traits for successful entrepreneurship.

The Scale of Big Five identity characteristics is viewed as a definitive scale to recognize student's personality attribute. "Agreeableness", "openness to experience", "extraversion" and "conscientiousness" are main 5 identity attributes can impact business enterprise; "neuroticism" altogether and adversely impacts enterprise (Pushkar and Subha, 2012).

### III. METHODOLOGIES

This study is focused on the data accumulated from 8 universities pan India on random basis. The students from all these regional institutes were a part of the study population. This population of students was differentiated into groups with one that had students who were involved in practical entrepreneurship education (X) and the other that

did not participate in practical entrepreneurship education (Y). To select the respondents, quota sampling frame was implemented.

The sampling was done using a total of 160 X and 320 Y students with a specifically structured questionnaire which was used as the main design to collect data. Six MBA students were used as research assistants to collect the questionnaires in a month. By applying these five Personality attributes as expressed by Zhao and Seibert (2006) and utilized by Chen (2012), the accompanying components were utilized to create poll which was focused to get data from the students of regional institutes across India:

- Agreeableness
- Openness to Experience
- Extraversion
- Conscientiousness
- Neuroticism

In light of the advancement of demeanor as proposed by Zhao, (2005), and the poll was made exclusively dependent on these five main components.

The scaling was planned and dependent on 5-point scale which ranges from 02 to - 02 in accordance to "strongly agree", "agree", "uncertain", "disagree" & "strongly disagree".

Cornbach  $\alpha$  of complete set was 0.94 which infers as the level of unwavering quality of the poll is adequate. In this examination, the students were given 10 pre-test polls in every Institution. Once the students have addressed these questions, the survey was then modified which were later gathered as appeared Table 1. After removing 18 polls with immaterial answers from non-enactus students, there were 365 significant surveys which had an arrival rate of 96.057%. The information investigation reports (as in fig) rely upon "complete elimination of missing values". The gathered information was further studies for the distribution of frequency, Index of Severity and Paired Sample Test.

Table 1. Frequency of Questionnaire Administering and Returned

University	Administered		Returned	
	X	Y	X	Y
Lovely Professional University	20	40	20	34
Bareilly International University	20	40	20	26
Madhyanchal Professional University	20	40	20	28
Saveetha Amaravati University	20	40	20	24
Pragyan International University	20	40	20	30
Kadi Sarva Vishwavidyalaya	20	40	20	27
Spicer Adventist University	20	40	20	29
Dr K N Modi University	20	40	20	25
<b>Total</b>	<b>160</b>	<b>320</b>	<b>160</b>	<b>223</b>
<b>Invalid</b>		<b>0</b>		<b>18</b>
<b>Valid</b>			<b>160</b>	<b>205</b>

#### A. Index of Severity

In order to measure the likelihood of a factor being holding significance in perception of the respondents, a severity index is used. It is expressed as

$$\text{Severity Index (SI)} = \frac{\sum R_w w}{R_t} \quad (1)$$

Here  $R_w$  means for the quantity of respondents,  $w$  is the focuses doled out and  $R_t$  is for total number of reactions accomplished from the variable.



The scale for rating to decide the degree for seriousness is as per the following:

- Index of Severity  $\leq 1.49$  suggests not of serious impact
- Index of Severity = 1.5 – 2.49 suggests tolerably impact
- Index of Severity = 2.5 – 3.49 suggests as serious impact
- Index of Severity  $\geq 3.5$  suggests as an intense impact.

### B. Paired Sample Test (t-test)

The combined perceptions are made on those understudies who are a part of Entrepreneurship clubs and the individuals who don't take part in any of those clubs yet are coordinated for enterprising identity characteristics. The contrast between matched perceptions can be evaluated by means of the combined tests. This distinction is communicated as d that represents contrast. Here; d is the normal contrast with same incentive as of distinction between methods for two examples which implies:

$$(\bar{d} = \mu_1 - \mu_2)$$

$$d = \sum x / n \tag{2}(3)$$

The t-esteem is evaluated as the proportion of a measurement separated by the standard variations:

$$t_s = \frac{d}{SE_d} \tag{4}$$

As N-1 degree of Freedom.

## IV. RESEARCH REPORT & DISCUSSION

On the basis of different information collected from various educational institutions in India, the personality attributes which were favorable for entrepreneurship intention were marked all more than 1.0 for the students who were a part of entrepreneurship clubs, whereas for the students who were not in entrepreneurship clubs, were marked lower than 0.5.

Table 2. Preponderance of Entrepreneurial Personality of Respondents

s/n	Entrepreneurial Personality Characteristics	Students belonging to Entrepreneurship club		Students not belonging to Entrepreneurship club	
		Sample = 160		Sample = 205	
		Severity Index	Rank	Severity Index	Rank
1	Agreeableness	1.98	3	0.35	3
2	Openness to Experience	2.17	2	0.22	5
3	Extraversion	1.85	4	0.44	2
4	Conscientiousness	2.39	1	0.27	4
5	Neuroticism	0.05	5	0.52	1

Moreover, the participants belonged to any SEC had the least of neuroticism which is considered to be a habit that limits the students from exploring their potential. And, the same trait was highest in students who do not belong to entrepreneurship clubs. The results however was highly expected as participants who doesn't belong to any SEC are inspired to be working in paid job instead of exploring the options of self-employment after they graduate. As show in

Figure 2 and 3, it is clear that students from entrepreneurship clubs have superior entrepreneurial intentions as compared to their counterparts. The results in these two figures can also be associated to the answers that these students gave when asked about the employment options they desire post-graduation.

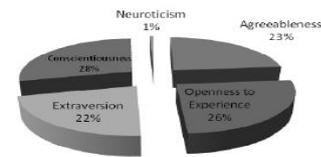


Figure 2. Personality of Students that belong to Entrepreneurship clubs

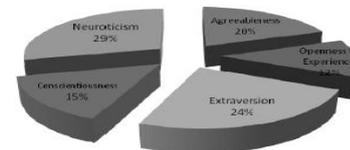


Figure 3. Personality of Students that do not belong to Entrepreneurship clubs

Students who are a part of entrepreneurship club mentioned that they would like to be self-employed post-graduation, while almost 88% of students who do not participate with any SEC said that they would rather opt for the paid job instead of entrepreneurship.

From this study, it tends to be evaluated that the abnormal state of Neuroticism in students who do not participate with SEC makes them reluctant to go out on a limb and adventure into new endeavours. The lower level which is almost nil in terms of Neuroticism in students who are from entrepreneurship clubs implies their confidence, risk-taking propensity and motivation to grow further.

Table 3. Preponderance of Entrepreneurship Intention Among sampled Students

Pair 1	1 - 2	Paired Differences				95% Confidence Interval of the Difference			t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	Correlation n	Lower Upper					
		1.328	1.04222	.46609	-.0834	.03391	2.62209	2.849	4	.046	

Source: Computed from Table 2 Data

The outcomes in Table 3 suggest that total estimation of 2.849 is critical at 0.05 level which demonstrates that even a minor error of 5%, there can be a viable positive distinction in the prevalence of student from different colleges/universities, which were studies during this process, have a place for SEC and those who don't. Consequently, it is demonstrated that dominance to the enterprise by students that take an interest in business clubs is unquestionably higher than those understudies are not individuals.

## V. FINAL ANALYSIS & RECOMMENDATION

According to this study, students belonging to SEC (Students Entrepreneurship Club) are more ready to start their entrepreneurship journey as compared to those who do not belong to any entrepreneurship clubs. These clubs give



various opportunities to the students to explore options and engage in collaborative teams so that they can practice in the classroom for a better out-of-classroom entrepreneurship education. They get mentored by accomplished leaders from the businesses who help them polish their skills and experiences. This helps them to overcome neuroticism and depression that mostly created the mindset of risk susceptibility and failure.

As per this study in various institutes in India, the following recommendations are made:

- Out-of-classroom activities and projects with Entrepreneurship Clubs should be considered as earned credit hours.
- Programs should be developed to enhance entrepreneurial culture at all levels within an Institute.
- Students should be given the opportunity to develop practical business- planning skills which included teamwork and also competition.
- Exposure to experienced professionals

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