

ROLE OF GOVERNMENT IN GROOMING ENTREPRENEURIAL ATTITUDE AMONG STUDENTS IN KERALA

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Abstract

Unemployment is one of the most painful and vexing concerns that every economy faces. Unemployment has spread not only among the unskilled but also among the educated. India, as a youthful country, has a large proportion of its population that is young, and to fully utilise their potential, we must provide them with the necessary skills and chances. Entrepreneurship is our most powerful weapon in combating this issue and empowering our young people. Youth are naturally energised and empowered, and they are eager to explore new regions and take on new challenges and risks. The role of government is highly crucial in the development of entrepreneurship among students. Government can provide a range of policies and programmes to encourage and assist young people to start businesses. By withdrawing their position as a job provider, the government should support students to become self-employed. Government should give opportunities for creative students to study, cooperate and turn their novel ideas into marketable products and service prototypes. This study aims to find out whether the role played by the government is effective in grooming entrepreneurial attitude among students in Kerala.

Key words:- Entrepreneurship, Entrepreneurship development program (EDP), government, self-employed, entrepreneurial attitude.

The development of a country's economy determines its prosperity and growth. Every nation has a responsibility to ensure sustainable growth to raise the standard of living of its people while eradicating poverty and unemployment. In India, unemployment

is an acute and severe social problem.

According to Statista Research Department Report 2019, Graduates had the highest unemployment rate in 2019, accounting for 16.3 per cent. Individuals with a postgraduate degree and higher degree lie in second place with 14.2 per cent. As a result, youth with greater

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education levels had a higher unemployment rate in our country. Kerala's unemployment rate is greater than India's national average. According to the Government of India's Periodic Labour Force Survey (PLFS), the rate among young aged 15 to 29 years old in Kerala was 40.5 per cent between January and March 2020. According to the poll released on December 31, 2020, the nationwide rate was merely 21 per cent.

After the completion of education, a person has two career options: gaining employment under an employer or self-employment. The people who choose the first option are known as employees while those who choose the second are called entrepreneurs. Entrepreneurship can be described as a process or action that an entrepreneur undertakes to establish his enterprise. According to the Global Entrepreneurship Monitor (GEM) India Report 2016–2017, only 5 per cent of the adult population in India manage to run their established business for a period of more than 3.5 years. Therefore, it is evident that only active and enthusiastic entrepreneurs can explore the potential of the country's availability of resources and become successful.

The Central and State governments have a great role to play in identifying and utilizing passionate entrepreneurs. Keeping in mind the importance of inculcating the lessons of entrepreneurship in students, the Government of India and the Government of Kerala have prepared various entrepreneurship development programs to incubate an entrepreneurial culture among school and college students. Even though the government is

aiding in grooming entrepreneurs, many new organizations are leaning toward failure. The main reason behind this is that there is a mismatch between entrepreneurs and the organization they had envisioned. To attain entrepreneurial success, the seeds of entrepreneurship should be sown in the minds of the populace at least from the secondary education level.

The Government and other agencies supporting entrepreneurship play a critical role in promoting the spirit of entrepreneurial attitude among students. The government as well as agencies must establish programs to assist students in pursuing an entrepreneurial career by helping in the areas of project preparation, technology, finance, marketing, tax exemptions at early stages, and entrepreneurial growth to accelerate young business startups. So, the concerned government and other agencies should develop and enforce youth entrepreneurship policies to create a favorable atmosphere for students leaving various higher education institutions to consider choosing an entrepreneurial career as an alternative to searching for work.

Significance of the Study

At present in India, great masses of students pass out every year and their employment is an important issue. Most of the students, other than those from some top institutions, find it difficult to get placed in gainful employment. At the same time, myriad business opportunities are being created day by day because of the advancement of technology and the new economic policies of the country. In India, especially in Kerala, a significant

number of students who have valuable entrepreneurial ideas fail in their chosen enterprise or even get to begin them due to several factors. This will adversely affect the spirit of entrepreneurial students and they merely look for employment for their livelihood after their studies instead of building a dynamic and successful enterprise. Such a scenario does not bode well for our economy. Even though Kerala's various governments have launched multiple interventions to stimulate youth entrepreneurship; the State has not made much progress in comparison to other Indian states. At this juncture, a study is highly essential to examine the effectiveness of various programmes initiated by the government for promoting entrepreneurial attitude among students and for initiating suitable rectification measures to make these initiatives effective and to make students able to meet new environmental pressures. The present study is a humble attempt in this direction.

Objective of the Study

The main intend of this study is to examine the role of government in grooming entrepreneurial attitude among students in Kerala.

Database and Methodology

In achieving the above-mentioned objective, the following methodology was adopted for conducting the study. The present research work is descriptive and analytical in nature. Both secondary and primary data were collected and used for the study.

Secondary Data

The secondary data required for the study have been collected from various

publications, through personal interaction with the officials of the various Innovation and Entrepreneurship Development Centers (IEDC), and Kerala Startup Mission. Furthermore, the official websites of the Kerala Startup Mission forms the source of secondary data.

Primary Data

The primary data required for the study have been collected from the selected students from the selected colleges affiliated with selected Universities from the state of Kerala. A well-structured interview schedule was used for collecting the opinion of students from higher educational institutions in Kerala.

Sample Design

A judgment sampling technique was used for the selection of sample districts. The district selected from the North region was Malappuram, the Central region was Ernakulam, and the South region was Thiruvananthapuram based on the number of educational institutions. A multistage random sampling method was employed for the selection of sample colleges and sample students. Accordingly for ensuring accuracy and an adequate number, 20 respondents were selected randomly (10 each from UG and PG) from Professional and Non-professional streams from each sample district, which constitute a total of 120 sample respondents.

Results & Discussion

This section focuses on the statistical result on the role of the government in grooming entrepreneurial attitudes among students in Kerala with the help of identified variables.

Table 1

Significant Difference between Average Mean Score with Respect to Role of Government in Grooming Entrepreneurial Attitude - One Sample t- Test

Variable	Mean	SD	t-value	p-value
Relaxed Formalities for Registration	4.150	0.886	28.342	<0.001**
Liberalized Licensing Policy for new business	4.050	0.979	23.505	<0.001**
Economic and Business Policies to promote Entrepreneurship	4.180	0.878	29.318	<0.001**
Concessions and Incentives to Offset Initial Cost of Entrepreneurs	4.100	0.886	27.135	<0.001**
Subsidies to Students' Entrepreneurial Loans	4.250	0.869	31.502	<0.001**
Efficacy of Entrepreneurship Development Programmes (EDPs) Offered by the Government	4.020	0.880	25.367	<0.001**
Promotion of Research and Development in the Field of Entrepreneurship Development	4.120	0.813	30.186	<0.001**
Evaluating Benefits of EDPs	4.030	0.847	26.511	<0.001**
Conducting Workshops, Seminar and Conferences to Groom New Entrepreneurs	4.260	0.807	34.161	<0.001**
Creating Basic Facilities, Utilities and Services (Raw Materials, Communication, Roads, Water, Electricity, Industrial Area, Supply of Energy, Insurance, Godowns, Financial Services etc)	4.250	0.855	32.069	<0.001**
Providing Marketing Aids to Entrepreneurs	4.060	0.818	28.352	<0.001**
Concentration on Natural Resource Development	4.040	0.887	25.719	<0.001**
Formation of Supporting Institutions	4.010	0.803	27.564	<0.001**
Favourable Political and Administrative Support for Entrepreneurship Development	4.040	0.957	23.712	<0.001**
Overall Role of Government in Grooming Entrepreneurship among Students	57.540	9.577	124.765	<0.001**

Source: Primary Data

** Significant at 1% level

The results of the study revealed that all the factors relating to the government in fostering entrepreneurial attitude among students differ from the population mean. Further, the result shows that the government should improve basic facilities, utilities, and services at a concessional rate and provide

adequate subsidies to students' entrepreneurial loans (x=4.250) to promote entrepreneurship among them. The overall factors relating to the role of government in promoting entrepreneurial attitude among students also show the same result (p<0.01) (Table 1).

Table 2

ANOVA for Significant Difference among Stream of Students with Respect to Role of Government in Grooming Entrepreneurial Attitude

Variable	Type of Stream								F-value	p-value
	UG		UG Prof		PG		PG Prof			
	Mean	SD	Mean	SD	Mean	SD	Mean	SD		
Relaxed Formalities for Registration	4.09	0.79	4.22	0.93	4.26	0.75	4.02	1.04	1.91	0.127
Liberalized Licensing Policy for new business	4.06 ^b	0.82	4.07 ^b	0.90	4.33 ^c	0.75	3.75 ^a	1.29	7.20	<0.001**
Economic and Business Policies to promote Entrepreneurship	4.27 ^b	0.76	4.21 ^b	0.88	4.30 ^b	0.72	3.93 ^a	1.07	4.65	0.003**
Concessions and Incentives to Offset Initial Cost of Entrepreneurs	4.16 ^b	0.77	4.23 ^b	0.86	4.18 ^b	0.76	3.83 ^a	1.07	5.00	0.002**
Subsidies to Students' Entrepreneurial Loans	4.34 ^b	0.78	4.45 ^b	0.83	4.40 ^b	0.76	3.81 ^a	0.95	15.34	<0.001**
Efficacy of Entrepreneurship Development Programmes (EDPs) Offered by the Government	3.94	0.82	4.05	0.87	4.18	0.90	3.91	0.92	2.27	0.080
Promotion of Research and Development in the Field of EDPs	4.13 ^b	0.81	4.32 ^b	0.72	4.19 ^b	0.76	3.85 ^a	0.90	7.34	<0.001**
Evaluating Benefits of EDPs	4.01 ^{ab}	0.82	4.06 ^{bc}	0.87	4.23 ^c	0.67	3.80 ^b	0.96	5.47	0.001**
Conducting Workshops, Seminar and Conferences to Groom New Entrepreneurs	4.24 ^b	0.79	4.37 ^b	0.66	4.43 ^b	0.65	3.99 ^a	1.02	7.26	<0.001**
Creating Basic Facilities, Utilities and Services (Raw Materials, Communication, Roads, Water, Electricity, Industrial Area, Supply of Energy, Insurance, Godowns, Financial Services etc)	4.23	0.87	4.34	0.82	4.30	0.75	4.13	0.97	1.36	0.255
Providing Marketing Aids to Entrepreneurs	4.14 ^b	0.73	4.07 ^{ab}	0.81	4.16 ^b	0.77	3.87 ^a	0.93	3.26	0.021*
Concentration on Natural Resource Development	3.99 ^{ab}	0.86	4.23 ^b	0.87	4.14 ^b	0.76	3.81 ^a	1.00	5.24	0.001**
Formation of Supporting Institutions	4.09 ^b	0.75	4.13 ^b	0.74	4.13 ^b	0.74	3.70 ^b	0.90	8.38	<0.001**
Favourable Political and Administrative Support for Entrepreneurship Development	3.97	0.93	3.95	1.08	4.18	0.78	4.04	1.00	1.49	0.217
Overall Role of Government in Grooming Entrepreneurship among Students	57.66^b	8.21	58.67^b	9.27	59.40^b	6.76	54.43^a	12.48	6.49	<0.001**

Source: Primary Data

** Significant at 1% level

* Significant at 5% level

Different alphabet among type of stream denotes significant at 5% level using Duncan Multiple Range Test (DMRT)

The opinion of students from different streams on the role of government in promoting their entrepreneurial attitude revealed a significant difference with regards to liberalized licensing policy for new business, effective economic and business policies to promote entrepreneurship, adequate concessions and incentives to offset initial cost of entrepreneurs, adequate subsidies to students'

entrepreneurial loans, promotion of research and development in the field of entrepreneurship development, evaluating benefits of EDPs, conducting workshops, seminar and conferences to groom new entrepreneurs, providing marketing aids to entrepreneurs, concentration on natural resource development and formation of supporting institutions ($p < 0.05$) (Table No 2).

In addition, DMRT test indicated that the opinion of UG, UG professional, and PG streams differ significantly from PG professional stream. Furthermore, the analysis showed that there was no significant difference with regard to the opinion of students among different streams in terms of the need for relaxed formalities for registration, the efficacy of entrepreneurship development programmes (EDPs) offered by the government, creating basic facilities, utilities and services and favourable political and administrative support for entrepreneurship development. The result showed that there was a significant difference in opinion among students from different streams regarding the effectiveness of the activities undertaken by the Government in fostering entrepreneurial attitude among them.

Table 3 depicts the model fit indices on the role of Government in grooming entrepreneurial attitude among students. In terms of their respective criteria, all the

model fit values are favourable. Hence it can be inferred that all the values mentioned were found to be within acceptable limits.

Figure 1 depicts a structural diagram on the role of the Government in grooming entrepreneurial attitude among students in Kerala.

Conclusion

The Government has a crucial role to play in identifying and grooming future entrepreneurs among students. Government and other agencies should develop and enforce youth entrepreneurship policies to create a favorable atmosphere for students to consider choosing an entrepreneurial career. There is a need for creating basic infrastructural facilities and services at concessional rates to foster an entrepreneurial attitude among students. Proper assistance in project evaluation, identification, formulation, and implementation should be extended from

Table 3

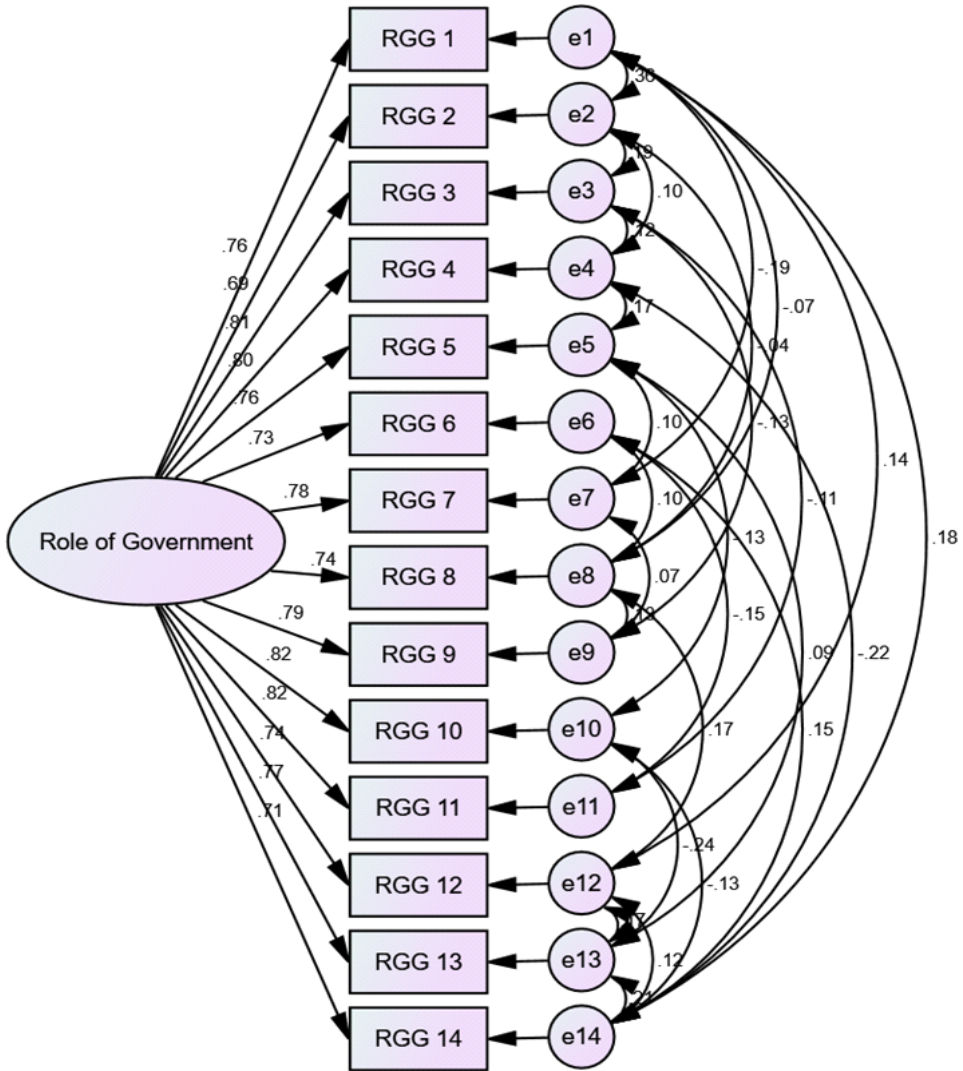
Role of Government in Grooming Entrepreneurial Attitude among Students- Model Fit for CFA

Indices	Value	Suggested value
Chi-square value	59.656	-
DF	50	-
p value	0.165	> 0.05 (Hair et al., 1998)
Chi-square value/DF	1.193	< 5.00 (Hair et al., 1998)
GFI	0.983	> 0.90 (Hu and Bentler, 1999)
AGFI	0.963	> 0.90 (Hair et al. 2006)
NFI	0.988	> 0.90 (Hu and Bentler, 1999)
TLI	0.996	> 0.90 (Hu and Bentler, 1999)
CFI	0.998	> 0.90 (Daire et al., 2008)
RMR	0.011	< 0.08 (Hair et al. 2006)
RMSEA	0.020	< 0.08 (Hair et al. 2006)

Source: Primary Data

Figure 1

Role of Government in Grooming Entrepreneurial Attitude among Students
- Construct Validation with CFA



supporting institutions that help students to select the correct business. They must serve as the first stop on a student’s entrepreneurial path, providing them with cutting-edge technology, world-class infrastructure, top-notch mentoring, early financing, and worldwide exposure.

Recommendations

- The Government should provide basic infrastructural facilities, utilities, and services to the entrepreneurs at a concessional rate with a view to motivating them. This will promote students to choose an entrepreneurial

career after the completion of their studies.

- In comparison to individual training activities, there is a need for properly structured workshops, seminars, and conferences from the government level rather than the university and institutional level since they are time and cost-efficient techniques for promoting active involvement of students in entrepreneurial actions.
- Students who take out loans to start their own businesses should be

adequately subsidized by the Government.

- Institutional support should be provided for technical and managerial assistance to students, which will be extremely beneficial to new entrepreneurs as it will influence the success of the business they intend to start. Institutions should also aid with the techno-economic survey as it aids in the identification of product lines and subsequent provision of investment advice to students who intend to start business.

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