

## **Assessing the Entrepreneurial Orientation: A Study of Kurukshetra University**

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**Abstract:** *Recent researches on entrepreneurship have focal point on entrepreneurs that assesses their personality traits and characteristics along with entrepreneurial outcome. However, few studies were conducted to understand the entrepreneurial orientation among would be entrepreneurs. The study has assessed entrepreneurial orientation of regular course university students and those who have gone through master start-up class. The analysis of 121 respondents reveals that the students were high on attitudinal aspects on all the four constructs i.e. goal accomplishment, innovativeness, self-esteem and personal control. It is submitted that if efforts are done in the direction of creating awareness regarding being enterprising by authorities and Govt., the energy of the youth can be channelized to become entrepreneurs; thus contributing to better economic growth.*

**Key words:** - *EAO, attitudinal characteristics and master start-up class.*

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### **I. Introduction**

In recent years, entrepreneur, entrepreneurship and intrapreneurship has gained wide popularity around the globe. Entrepreneur is prime mover of economic activity in any nation. The entrepreneur acts as a catalytic agent and uses insightful searching, careful planning and judgment while carrying out the entrepreneurial process. Entrepreneurship is not only potentially lucrative but it also provides people with challenges and opportunities to maximize their power and autonomy (Heilman & Chen, 2003). Cantillon introduced the word entrepreneurship which means “to undertake”. He originated the theory of the entrepreneur as a risk taker, characterizing the entrepreneur as one who is self-employed, has the foresight and willingness to assume risk and take the necessary actions to make a profit or bear a loss and thus contributes to the market economy. Robert C. Ronstadt views “Entrepreneurship as the dynamic process of creating incremental wealth. This wealth is created by individuals who assume risks in terms of equity, time or career commitment of providing value for some product or service. The product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skills and resources”.

### **II. Literature Review**

Koh (1996) reported the main psychological characteristics associated with entrepreneurship as need for achievement, locus of control, propensity to take risk, tolerance of ambiguity, self-confidence and innovativeness. Thomas and Mueller (2000) defines entrepreneur as a configuration of psychological traits, attributes and values of an individual motivated to initiate a business venture reporting that entrepreneurs reflect the dominant values of the respective national culture and the same has definite effect on entrepreneurship. Authors further asserted that the study of entrepreneurship should be expanded to international markets to investigate the conditions and characteristics that encourage entrepreneurial activity in various countries and regions. Robinson et al. (1991) introduced attitudinal scale to predict entrepreneurial activity. Authors developed the Entrepreneurial Attitude Orientation (EAO) scale to measure entrepreneurial attitudes based on the constructs of innovation, personal control and self esteem. Achievement in business refers to concrete results associated with the start of a business; personal control of business outcomes relates to one’s perception of control or influence over his or her business; innovation in business relates to acting on business activities in novel ways and perceived self esteem in business relates to self-confidence with regard to one’s business affairs. Knight and Nadel (1986) & Weiss and Knight (1980) view self-esteem as an inherent characteristic of individuals that is relatively stable across situations. An individual high in self-esteem is more likely to express high levels of confidence about his/her own ability to be successful in a new business venture. Lumpkin & Dess (1996) explored the constructs of entrepreneurial orientation (EO) and defined a firm’s entrepreneurial orientation as its propensity to act autonomously, innovate, take risks and act proactively when confronted with market opportunities. Authors further concluded that it is a process construct and concerns the methods,

practices and decision making styles managers' use. Habbershon et al. (2003) introduced the entrepreneurial orientation framework that provides five established constructs to explore as antecedents to entrepreneurial performance – proactiveness, innovativeness, autonomy, riskiness, and aggressiveness. Smith & Miner (1983) concluded that founders of fast growing firms scored significantly higher on innovativeness than individuals holding managerial positions. Authors also found that entrepreneurs expressed a desire to introduce novel and innovative solutions. Hebert and Link (2006) view that entrepreneur is one who has worn many faces and has played many roles. Drucker (1985) asserted that “innovation is the specific tool of entrepreneurs”. Empirical research findings also support this notion that entrepreneurs are more innovative than non-entrepreneurs (Gurol and Atsan, 2006; Koh, 1996 and Robinson et al., 1991). Mueller & Thomas (2001) point out that innovation is a primary motive in starting a business venture. Self-esteem is a belief about one's own self-worth based on an overall self-evaluation. Self-esteem refers to an individual's overall self-evaluation of his/her competencies (Rosenberg, 1965). It is that self-evaluation and descriptive conceptualization that individuals make and maintain with regard to themselves. In this sense, self-esteem is a personal evaluation reflecting what people think of themselves as individuals. Korman (1970) asserts that self-esteem reflects the degree to which the individual sees him/her self as a competent, need – satisfying individual. Personal control reflects individuals' beliefs regarding the extent to which they are able to control or influence outcomes. A wide variety of theorists have emphasized the importance of perceptions of personal control and have suggested that the desire to control the world around us (i.e. the desire for behavior-event contingency or personal control) is a fundamental characteristic of human beings (Schultz et al, 2009; Haidt & Rodin, 1995 and Rothbaum et al., 1982). The above review presents the traits and characteristics of entrepreneurs and EAO dimensions explored by various researchers.

### **III. Research Methodology**

The present investigation has been designed to assess the level of entrepreneurial orientation attributes – goal accomplishment, innovation, self-esteem and personal control among university students. The research methodology used has been presented below:

#### **Entrepreneurial Attitude Orientation**

Robinson et al. (1991) incorporated an attitude scale to predict entrepreneurial activity. Attitudes tend to change across time and situations through an interactive process with the environment and once a person's attitude has been measured, a prediction can be made about the person's forthcoming actions (Carlson, 1985). Entrepreneurial Attitude Orientation (EAO) model is based on the four constructs of goal accomplishment, innovation, personal control, and self esteem in business. The study intends to:-

1. Assess Entrepreneurial Attitude Orientation among University students
2. Assess the relationship among entrepreneurial attitude orientation attributes (goal accomplishment, innovation, self-esteem, personal control) if any.

### **IV. Sample**

A sample of 121 students has become the basis of analysis as they belong to various streams pursuing regular course from university and have gone through master start-up class. The data has been collected by creating a link through Google forms.

#### **Scale: Entrepreneurial Attitude Orientation**

Robinson et al. (1991) developed the Entrepreneurial Attitude Orientation scale based on the four constructs of achievement, innovation, personal control and self esteem consisting of 89 items. The scale was redesigned using hierarchical cluster analysis resulting into existence of 8 groups/factors consisting of 45 items (Shetty, 2004). Cronbach alpha ranges between 0.53 and 0.76. The scale measures innovation, self-esteem, personal control and goal accomplishment. As a research tool, the respondents responded with regard to statements on five-point Likert's scale ranging from strongly disagree (1) to strongly agree (5). Score of negative statements has been reversed as given in the scale of total forty five items out of which sixteen relates to innovation; eleven relates to self-esteem, four relates to personal control and fourteen relates to goal accomplishment.

### **V. Tools**

Descriptive statistics has been used to assess the level of EAO attributes among university students. To investigate the difference between standard and observed mean one tail t test has been applied. Pearson's correlation has been used for investigating the relationship among EAO attributes.

**Analysis & Interpretation:-**

Table: 1 Descriptive statistics for entrepreneurial attitude orientation (N=121)

Dimensions	Observed Mean	Standard Mean	Std. Deviation	Minimum	Maximum	T value	Sign.
Goal Accomplishment	53.7190	42	10.08648	21.00	68.00	12.780	.000
Innovation	53.9587	48	7.33530	34.00	72.00	8.936	.000
self esteem	36.6612	33	4.79332	23.00	48.00	8.402	.000
personal control	13.7934	12	2.23203	6.00	20.00	8.838	.000
EAO (Total)	158.1322	135	20.43809	90.00	192.00	12.450	.000

Table 1 exhibits the descriptive statistics regarding the four dimensions of EAO. The observed mean score of all the four dimensions is found to be on higher side depicting a positive attitude of students regarding entrepreneurial orientation. Observed mean for goal accomplishment is 53.72 as against standard mean of 42 meaning thereby that students direct attention, effort and action towards their career goals and are result oriented. They feel a sense of pride after doing efforts on their work projects. The study also revealed that students are conscious of the decision regarding their socialization and feel very energetic while organizing events in their respective departments as they feel their contribution to the organization. However, they feel anxious and depressed whenever they don't get the desired results. Innovation level of university students is high as observed score has been reported to be 53.96 as compared to standard mean of 48. Respondents are aware and follow institutional standard operating procedures and practices and they want to nurture them with creative and innovative environment. They also sense multiple opportunities available regarding their career and believe in finding and exploring new and quick ways of doing things. The observed mean of self-esteem is reported as 36.66 against standard mean of 33. It can be interpreted that students present them well in class and social gatherings as they believe in making first right impression. They are also alert to what their peer group thinks about them. Regarding the fourth dimension, i.e. personal control, students scored 13.7934 against 12 as they believe themselves to be competent and feel no need to be observed by anyone. Also they are able to create new learning opportunities for themselves.

To check whether observed and standard mean differ significantly, one tail t test has been applied. The results revealed the significant difference between means for all the dimensions with  $t=12.789$ ,  $p<.05$ ;  $t=8.936$ ,  $p<.05$ ;  $t=8.402$ ,  $p<.05$  and  $t=8.838$ ,  $p<.05$  for goal accomplishment, innovativeness, self-esteem and personal control respectively.

Table: 2 Correlation Analysis of EAO Dimensions

	Goal Accomplishment	innovative	self esteem	personal control
Goal Accomplishment	1	.764**	.381**	.604**
Innovation		1	.461**	.507**
self esteem			1	.379**
personal control				1

\*\* Correlation coefficient significant at .01 level

Table 2 presents the correlation analysis among various dimensions of entrepreneurial attitude orientation. All the four dimensions depicted a positive and significant correlation with each other at 1 percent level. The highest correlation has been reported between goal achievement and innovativeness whereas lowest correlation has been reported between self-esteem and personal control. Goal accomplishment has significant positive correlation with innovativeness, self-esteem and personal control meaning thereby that students with high accomplishment level are keen to do new things or do old things in new ways with value creation. They are also able to explore new opportunities for them and feel a sense of pride after doing their work projects. Along with this, these respondents possess high self-concept about them and are able to exercise personal control. Innovation strongly correlates with personal control and self-esteem indicating that students who are creative and alert to new opportunities; possess high self-esteem and are mature enough to be observed by anyone. Self-esteem significantly correlates with personal control revealing that students with positive self-image exercise personal control. All the four dimensions of EAO are significantly correlated with each other indicating the individuals who are high in one dimension are likely to be positive on other three dimensions as well.

### **Recommendations for Growth and Promotion of Entrepreneurship in North-India**

To promote and foster entrepreneurial spirit among students, there is a need to upgrade the present education system. The following measures are suggested to empower the students & therefore potential entrepreneurs so as to grab opportunities and face challenges in business.

- An initiative may be taken by non-government organizations, government bodies and the social setup to inspire, encourage, motivate and cooperate students regarding self-employment & startups.
- Attempts can be made to raise the standards in education in general and making effective provisions for the training, practical experience and personality development of the youth by adding internship as a part of curriculum.
- It is the need of the hour to organize training programs to develop professional competencies among students in managerial, leadership, marketing, financial and production process skills.
- Educational institutes must collaborate with various government and non-government agencies/bodies carve a niche for themselves so as to improve the pace of economic development which is based on entrepreneurship development.

## **VI. Conclusion**

By adopting the above measures, spirit of entrepreneurship could be inculcated and fostered in the students & potential entrepreneurs. Youth participation in economic activities is necessary to strengthen them personally & it is important for the economy also to justify the demographic dividend term.

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