

The Background of Entrepreneurs: A survey

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ABSTRACT

The present study is an attempt to know whether there is any relationship exists between the education of the male entrepreneur and the nature of enterprise promoted, occupational background of male entrepreneurs and the nature of enterprise promoted and among the educational and occupational background of male entrepreneurs and nature of enterprise promoted, when all taken together. Researchers observed and found in most of the cases educational background are not directly linked with the promotion of units. Therefore, it gives low correlation among the three constituents taken together. Even though there is high relationship between the occupational background and nature of units promoted. Study shows experience has more bearing than educational qualification of the male entrepreneurs on choice of an industrial area. Entrepreneurs under study undertook the units in which they have very good work experience, even though they had educational specialization in other industrial areas. For the purpose of confidentiality the name of entrepreneurs has not been disclosed. Educational qualification of male entrepreneurs in rural area and nature of enterprise involved. Occupational background of the male entrepreneurs in rural area and nature of enterprise initiated and among the educational qualification, occupational background and nature of enterprises initiated, all taken together. With reference to the selection of the research universe the state of Odisha has been selected with specifications to the compulsions of the geographical territory, linguistic boundary, and administrative settlement commonness. Odisha is an Eastern Indian state, the state boundaries are on the Bay of Bengal Sea. South- Andhra Pradesh, West –Chhattisgarh and Jharkhand, North- West Bengal having a total area of 1,55,707 Square Kilometers with total population of 36,706,920 (as per Indian census survey-2001) , population density 236 per Square Kilometers, Sex Ratio 972 literacy rate of 63.61%. The state is comprising of 30 districts (Administrative Divisions) and 58 Sub-Divisions. In our study we found that the entrepreneurs of the technical education background 50% having no relation and rest are indirect relationship. In case of professional qualification and nature of business initiated 75% having no relation, for the post graduates only 10% having direct relation, for graduates only 14.29% having direct relation , for undergraduates only 9.09% having direct relation, for government service holders 25% having indirect relationship and for the business executives only 15% having direct relationship. Similarly, in case of agriculture and related activities only 19.05% having direct relationship with the nature of business initiated.

Key Words: Entrepreneur, educational background, occupational background and promotion of units

1. Introduction

An entrepreneur is a person who combines various factors of production, processes the raw material, converts the raw materials in to a finished product and creates utility in the product and sells the product in the market in order to earn profit. It is the extended form of self-employment. As a self-employed person generates employment for himself, an entrepreneur generates employment for himself as well as for others. The entrepreneur possesses employability or employment generation capacity. It is an economic concept. An entrepreneur represents a high level of achievement motivation as well as certain skills, capabilities, attitudes, values and beliefs. It is a pressing need in our economy to promote entrepreneurship as the best career choice.

In the present study is based on educational background, occupational background of male entrepreneurs of rural area in Odisha and nature of units promoted severally or when the entire three constituents taken together. Educational qualification and nature of enterprises were considered directly related if the entrepreneurs possessed either technical qualification in the same line of graduation and post graduation in science relevant for manufacturing activity entered in to educational qualification, which did not have clear cut relationship with manufacturing, but otherwise useful in manufacturing activities such as graduation and post graduation in science, commerce, business administration and technical qualifications from non related branches of engineers and chartered accountants/ cost accountants / company secretary was considered indirectly related. Rest of the promoters was put under 'no relationship' category which shows that educational qualifications had no impact on the choice of the enterprise. In case of relationship

between occupational back ground and nature of enterprise promoted, a relationship has been regarded as direct, if the entrepreneur has entered in to business of which he had an experience either as a trader or merchant, or as business executives, consultants etc. There exists in direct relationship, if the entrepreneurs were engaged in any kind of trading or if they were working as business executives, consultants in non related fields. For example, a trader or business executive or consultant in the field of chemicals promoted enterprise in the field of iron, steel and metals or papers or machinery or accessories. Rest of the cases like contracting (civil) and real estate business, military services, law and medical professions etc., were put under no relationship category.

1.1 Limitations of the Study

- The study is restricted to the selected rural areas of Odisha only.
- The sample is limited; it may not represent scenario of all the male entrepreneurs.
- The period of study conducted for the period of 5 months i.e May2010 to September 2010.

2. Sampling plan

In support to the objective of the research there is a primary research through questionnaire administration method in the field through stratified random sampling method covering the state through regional, geographical, economic, cultural, lingual and settlement wise and to analyze the data and derive results from it percentage method used.

The study is based on educational background of the male entrepreneurs in rural areas in Odisha and the nature of units initiated severally or when the entire constituents taken together. To analyze the

data and derive results from it percentage method is used. This method is easy to use and taken as suitable method to compare, keeping in view the objective of the study.

Table 1: Details about the questionnaire

<i>Area under study</i>	<i>Questionnaire served</i>	<i>Response</i>	<i>Percentage of response to total response</i>
Jaanla-	15	8	11.11
Sundarapada	15	11	15.29
Lathi	15	8	11.11
Raghunathpur	15	7	9.72
Bendalia	15	8	11.11
Luchapada	15	10	13.89
Kantabada	15	5	6.94
Samantiapali	15	9	12.5
luchapada	15	6	8.33
	135	72	100

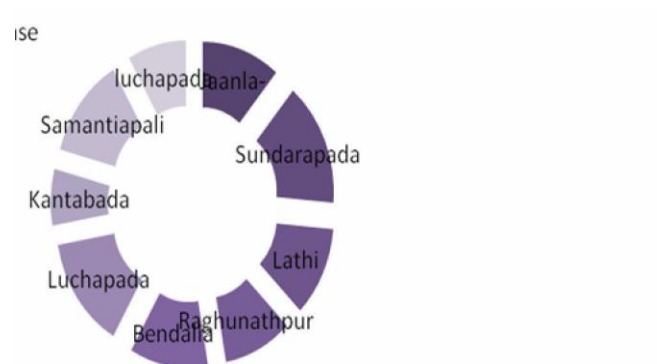


Figure 1: Area under study vs No. of Response

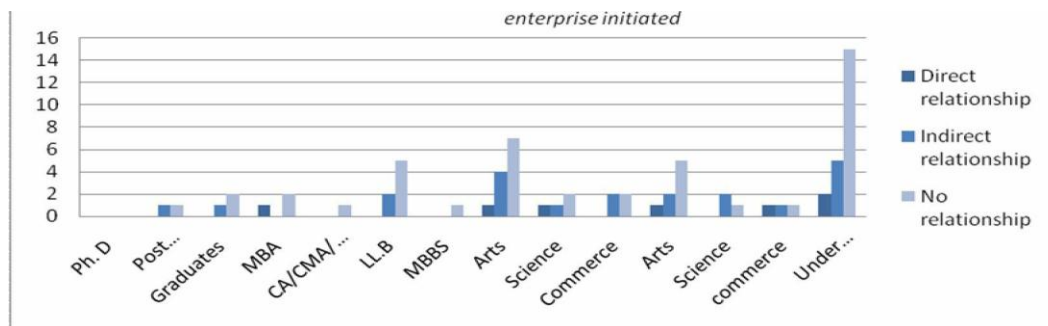


Figure 2: Relationship between educational background of entrepreneurs and nature of enterprise initiated

3. Findings of the Study

Following are the finding of the study.

Table 1: Relationship between educational background of entrepreneurs and nature of enterprise initiated.

<i>Educational Qualification</i>	<i>Sample size</i>	<i>Direct relationship</i>	<i>Indirect relationship</i>	<i>No relationship</i>
➤ Technical Qualification				
Ph.D	-	-	-	-
Post graduates	2	-	1	1
Graduates	2	-	1	1
➤ Professional Qualification				
MBA	3	1	-	2
CA/CMA/ CS	1	-	-	1
LL.B	7	-	2	5
MBBS	1	-	-	1
➤ Post graduates				
Arts	12	1	4	7
Science	4	1	1	2
Commerce	4	-	2	2
➤ Graduates				
Arts	8	1	2	5
Science	3	-	2	1
commerce	3	1	1	1
➤ Under graduates	<u>22</u>	<u>2</u>	<u>5</u>	<u>15</u>
Total	72	7	21	44

Source: Compiled from field survey

Table 2: Relationship between Technical Education background and the nature of enterprise initiated.

<i>Education</i>	<i>Sample</i>	<i>%</i>	<i>DR</i>	<i>%</i>	<i>IR</i>	<i>%</i>	<i>NR</i>	<i>%</i>	<i>Total</i>
Ph.D	-	-	-	-	-	-	-	-	-
Post Graduate	2	50%	-	-	1	50	1	50	100
Graduate	2	50%	-	-	1	50	1	50	100
Total	4	100	-	-	2	50	2	50	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

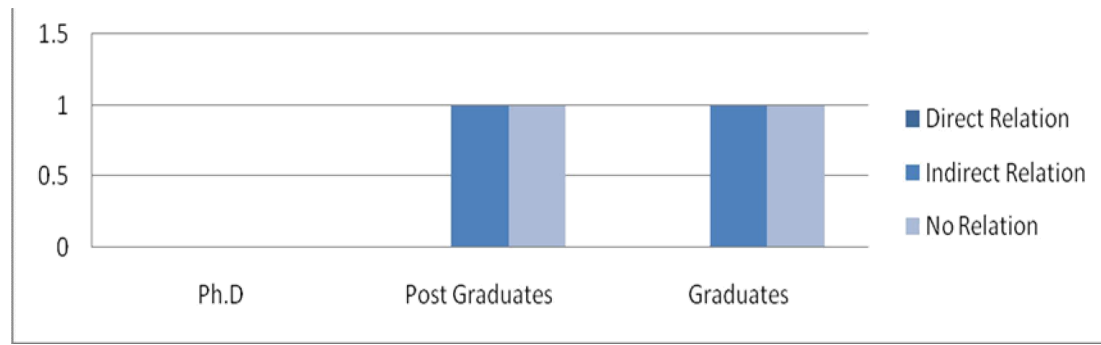


Figure 3: Relationship between Technical educational background of entrepreneurs and nature of enterprise initiated

Interpretation: In table-2, it shows that relationship between technical education back ground and the nature of business initiated 50% having no relationship, 50% having indirect relationship.

Table 3: Relationship between Professional Qualification and nature of enterprise initiated.

<i>Education</i>	<i>Sample</i>	<i>%</i>	<i>DR</i>	<i>%</i>	<i>IR</i>	<i>%</i>	<i>NR</i>	<i>%</i>	<i>Total</i>
MBA	3	25	1	33.33	-	-	2	66.67	100
CA/ CMA/CS	1	8.33	-	-	-	-	1	100	100
LLB	7	58.34	-	-	2	28.57	5	71.43	100
MBBS	1	8.33	-	0	0	0	1	100	100
Total	12	100	1	8.33	2	16.67	9	75	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study

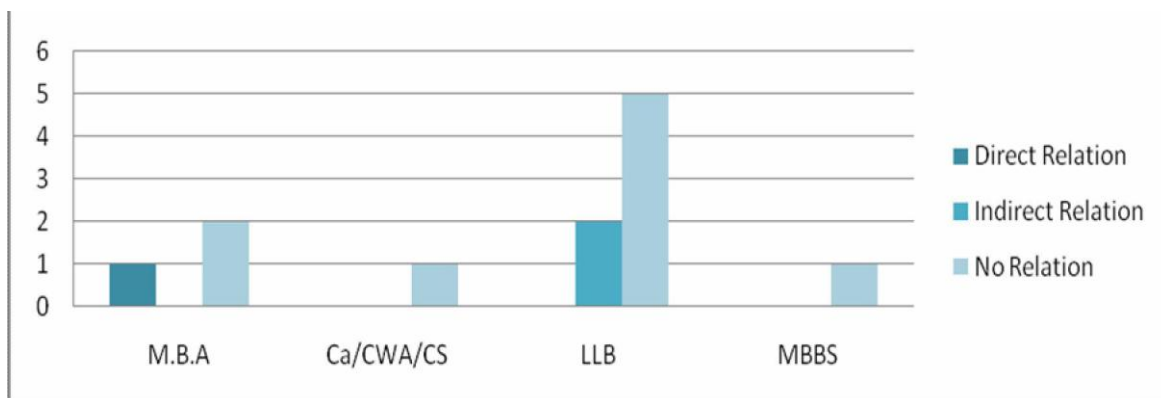


Figure 4: Relationship between Professional educational background of entrepreneurs and nature of enterprise initiated

Interpretation: Here, for relationship between professional qualification and nature of business initiated 75% having no relation, 8.33% having direct relationship and remaining having indirect relationship.

Table-4: Relationship between Post graduates and nature of enterprise initiated

<i>Education</i>	<i>Sample</i>	<i>%</i>	<i>DR</i>	<i>%</i>	<i>IR</i>	<i>%</i>	<i>NR</i>	<i>%</i>	<i>Total</i>
Arts	12	60	1	8.33	4	33.33	7	58.34	100
Science	4	20	1	25	1	25	2	50	100
Commerce	4	20	-	-	2	50	2	50	100
Total	20	100	2	10	7	35	11	55	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study

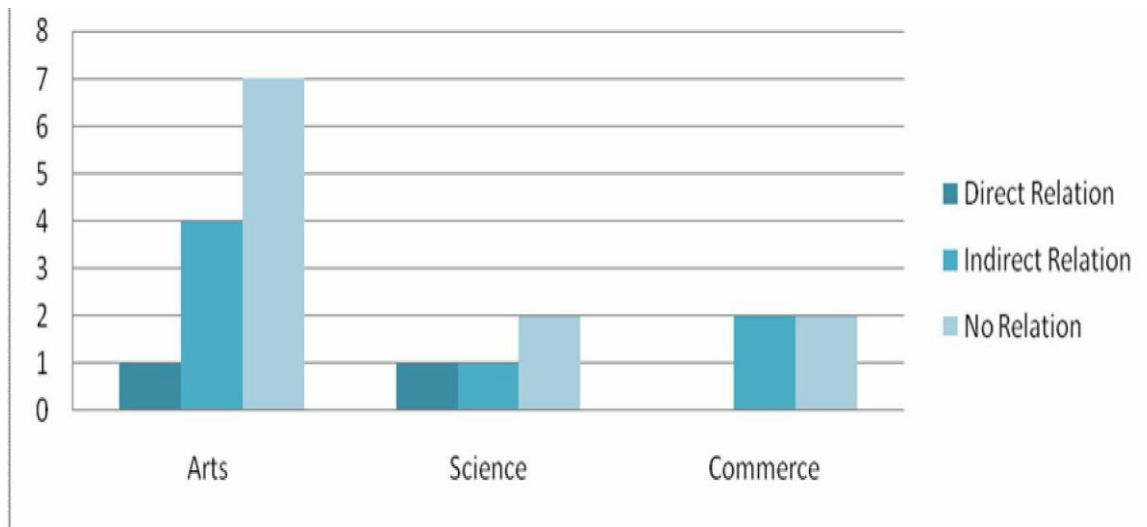


Figure 5: Relationship between relationship between Post Graduates and nature of business initiated

Interpretation: For relationship between post graduates and nature of business initiated 55% having no relationship, 35% having indirect relationship and rest are having direct relationship.

Table -5: Relationship between graduates and nature of enterprise initiated

<i>Education</i>	<i>Sample</i>	<i>%</i>	<i>DR</i>	<i>%</i>	<i>IR</i>	<i>%</i>	<i>NR</i>	<i>%</i>	<i>Total</i>
Arts	8	57.14	1	12.5	2	25	5	62.5	100
Science	3	21.43	-	-	2	66.67	1	33.33	100
commerce	3	21.43	1	33.33	1	33.33	1	33.34	100
Total	14	100	2	14.29	5	35.71	7	50	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study

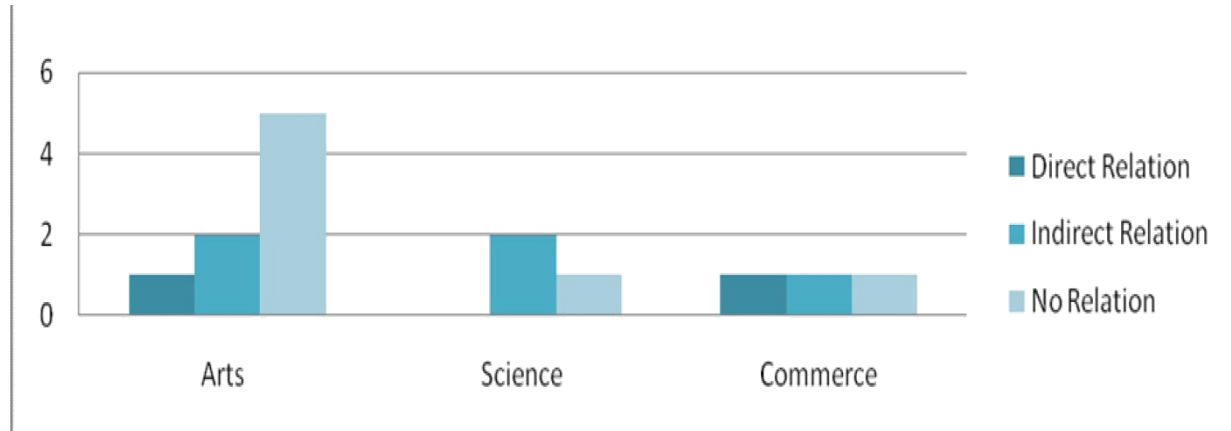


Figure 6: Relationship between Graduates and nature of enterprise initiated

Interpretation: For graduates and nature of business initiated, 14.29% having direct relationship, 50% having no relationship and remaining having indirect relationship.

Table 6: Relationship between undergraduates and nature of business initiated.

Education	Sample	%	DR	%	IR	%	NR	%
Under graduates	22	100	2	9.09	5	22.73	15	68.18

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study

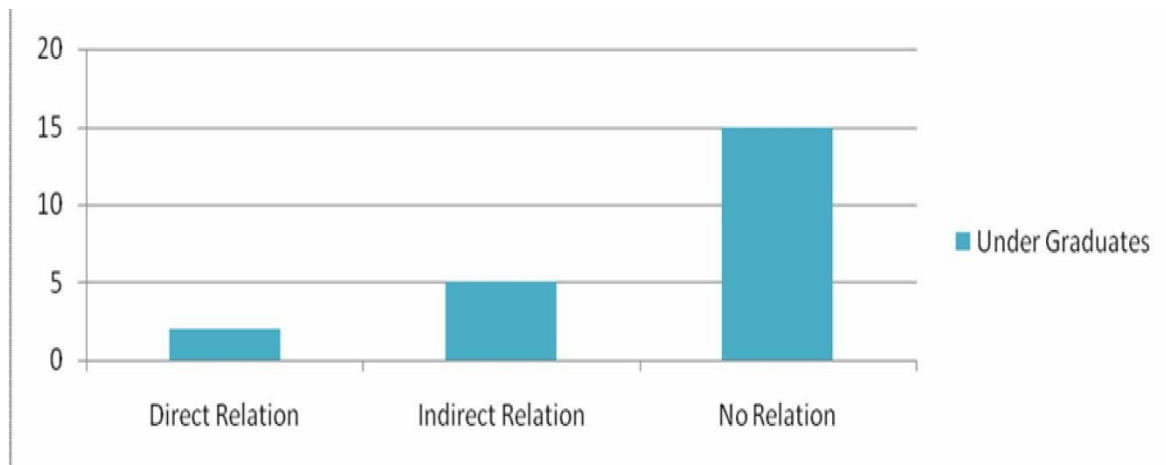


Figure 7: Relationship between Undergraduates and nature of enterprise initiated

Interpretation: in the present table it shows that 68.18% having no relationship, 22.73% having indirect relationship and rest having direct relationship.

Table 7: Relationship between occupational background of entrepreneurs and the nature of enterprise promoted

Occupational Background	Sample size	Direct relationship	Indirect relationship	No relationship
➤ Government Services				
Military	2	-	1	1
Civil	2	-	-	2
➤ Business Executives	4	1	1	2
Professionals	3	-	1	2
Engineers/Consultants	5	1	2	2
Teachers/Professors	8	1	3	4
Others				
➤ Business and related activities	14	3	3	8
Traders /Merchants	3	-	1	2
Contractors	10	2	1	7
Others				
➤ Agriculture and related activities	21	4	5	12
Total	72	12	18	42

Source: Compiled from field study

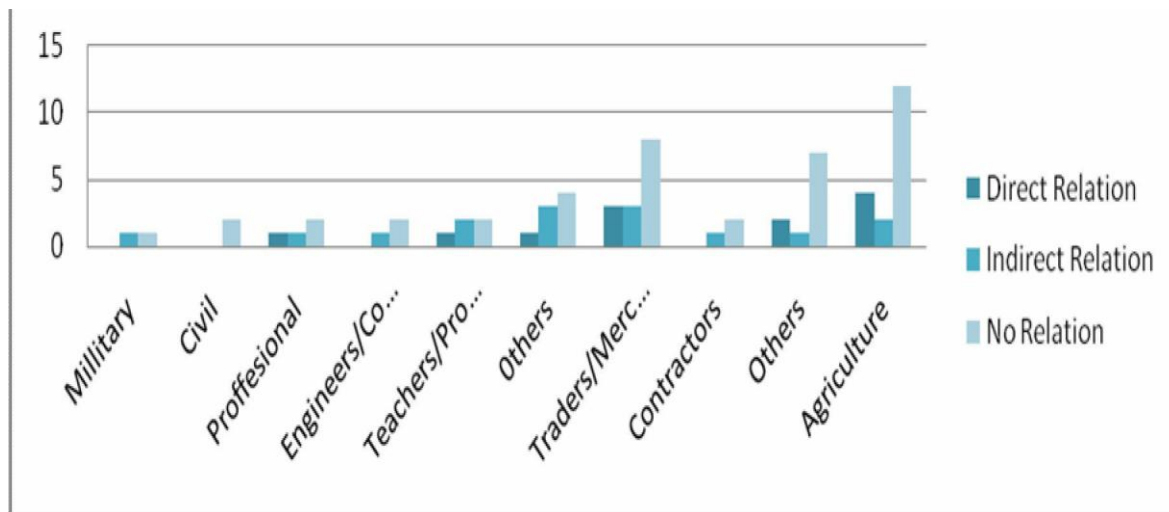


Figure 8: Relationship between occupational background of entrepreneurs and nature of enterprise initiated

Table 8: Relationship between Government Service holders and nature of business initiated.

Occupation	Sample	%	DR	%	IR	%	NR	%	Total
Military	2	50	-	-	1	50	1	50	100
Civil	2	50	-	-	-	-	2	100	100
Total	4	100	-	-	1	25	3	75	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study



Figure 9: Relationship between government service holders and nature of business initiated

Interpretation: For government service holders and nature of business initiated 75% having no relationship and 25% having indirect relationship.

Table 9: Relationship between Business Executives and nature of business initiated.

Occupation	Sample	%	DR	%	IR	%	NR	%	Total
Professional	4	20	1	25	1	25	2	50	100
Engineers/consultants	3	15	-	-	1	33.33	2	66.67	100
Teachers / Professors	5	25	1	20	2	40	2	40	100
Others	8	40	1	12.5	3	37.5	4	50	100
Total	20	100	3	15	7	35	10	50	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study



Figure 10: Relationship between business executives and nature of business initiated

Interpretation: In case of business executives and nature of business initiated, 50% having no relationship, 15% having direct relationship and rest are having indirect relationship.

Table 10: Relationship between business & related activities and nature of business initiated.

Occupation	Sample	%	DR	%	IR	%	NR	%	Total
Traders/Merchants	14	51.85	3	21.43	3	21.43	8	57.14	100
Contractors	3	11.11	-	-	1	33.33	2	66.67	100
Others	10	37.04	2	20	1	10	7	70	100
Total	27	100	5	18.52	5	18.52	17	62.96	100

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.

Source: Compiled from field study

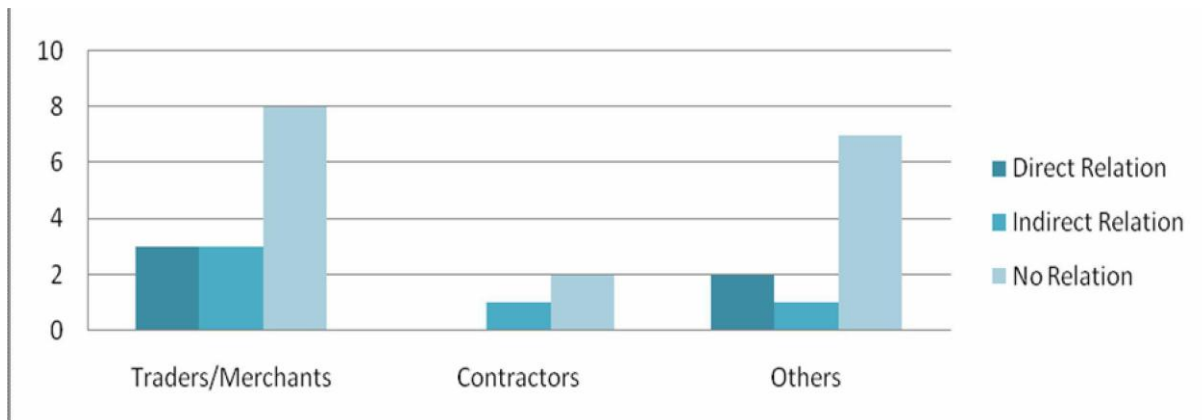


Figure 11: Relationship between business and related activities and nature of business initiated

Interpretation: As far as business and related activities and nature of business initiated 18.52% having direct relationship, 18.52 % having indirect relationship and 62.96% having no relationship.

Table 11: Relationship between agriculture and related activities and nature of enterprise initiated

Occupation	Sample	%	DR	%	IR	%	NR	%
Agriculture and related activities	21	100	4	19.05	5	23.81	12	57.14

Note: DR- Direct Relationship, IR- Indirect Relationship & NR- No Relationship.
 Source: Compiled from field study

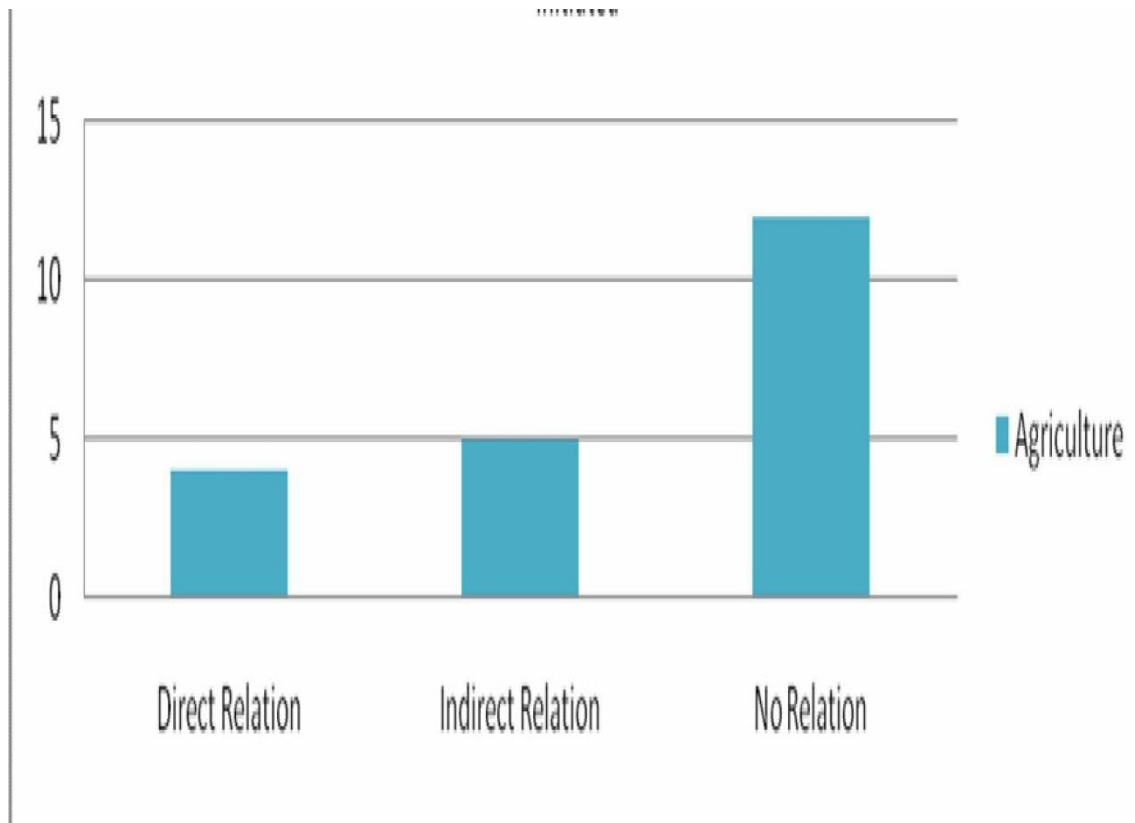


Figure 12: Relationship between agriculture and related activities and nature of enterprise initiated

Interpretation: For agriculture and related activities 19.05% having direct relationship, 57.14% having no relationship and rest are indirect relationship.

Table 12: Relationship among educational and occupational background of entrepreneurs and nature of enterprise promoted

Nature of enterprise	Sample size	Number of entrepreneurs having directly or indirectly related educational and occupational experience
Hotel business	12	3
Tour and travels	10	3
Leather and leather products	5	2
Machinery and accessories	4	2
Wood products	7	2
Paper and paper products	8	3
Education	9	4
Others	17	7
	72	26

Source: Compiled from field survey

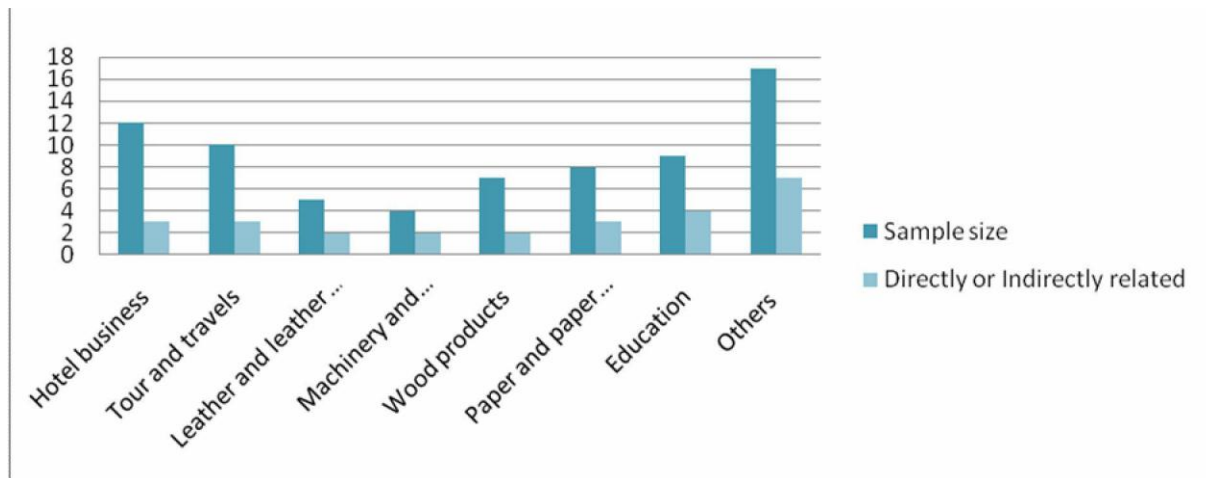


Figure 13: Relationship between educational and occupational background of entrepreneurs and nature of enterprise initiated

4. Concluding Note

The concluding observation is that the nature of enterprise promoted is more linked with occupational experience than the educational qualification of the male entrepreneurs in rural area it shows, that experience has more bearing than the education qualification of the choice of an industry. Male entrepreneurs in rural area under study preferred those industries in

which they had working experience, even though they possessed academic specialization in other industrial areas. It may be due to the practical experience in the areas of production, marketing, technology, raw materials etc. of a particular product which provides confidence in the

production of such products at their own. Educational qualification provides only theoretical knowledge of a particular area, which may not be useful, even in carrying on producing of the same type of products. It is also found that educational qualification, occupational experience and nature of enterprises promoted are directly or indirectly related, only occasionally, and not in general.

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