

CHAPTER - 1

INTRODUCTION

“The make in India” campaign has taken off and is backed with skill development. It is going to open new vistas for employment for the youth

- Prime Minister Narendra Modi

Employment is the life line of any economy. It is a vital part of the economic, social, environmental development process and, procedure of any country. It will facilitate to scale back corruption, remove terrorism and improve the quality of the living standards.

Sabharwal (2009) conjointly states that, the prosperity of a nation depends on its social, economical and human development. “Human development will definitely be grossly undermined and impaired without employment” .Employability indicates the person’s capability of gaining initial employment, maintaining employment and moving to new employment by choice. It depends on the knowledge, skills and attitudes possessed by the individual, and also from information regarding the labour market. Every nation has a responsibility to ensure economic development to improve the living standards of the people, especially the working age population to eliminate poverty and backwardness.

Presently the working-age population of India is growing in size with higher education of the labour force who are shifting far away from agricultural work to non-agricultural better-quality jobs. However, the trends between 2004-05 and 2011-12 indicate that employment generation in the country has been inadequate to meet this challenge. Construction has virtually become the sole source of progressive employment in rural India. In the urban areas, men are able to obtain a disproportionate share of high-productivity employment. Survey on employment and unemployment in India, conducted by the National Sample Survey Office (NSSO), unconcealed that, overall employment in the country rose markedly by 59.4 million between 1999-2000 and 2004-05. But during the next five years, 2004-05 to 2009-10, net employment generated fell sharply to only 4.7 million, resulting in the suggestion that this was a period of “jobless growth”. Employment growth

recovered subsequently, with 10 million new jobs registered between the surveys held in 2009-10 and 2011-12 (Thomas, 2014). In keeping with the statistics given by Indian Express, 2016, in India, the size of the working age population increased by 300 million between 1991 and 2013, while the number of employed people increased by only 140 million. The economy absorbed only less than half of the new entrants into the labour market whereas the remainder were left unemployed. Sharma (2012), views that the available employment opportunities can cater to only 5 to 10 per cent of the job seekers.

The major reason for the rise in unemployment as felt by Thomas (2012) is decline in agriculture employment. Between 2004-05 and 2009-10, agricultural employment declined absolutely by 20.4 million, leading to the deceleration in overall employment growth. This decline in agricultural employment was, at least partly, a reversal from the “distress employment” created during the previous five-year period, declined further by 12.9 million between 2009-10 and 2011-12. The generation of nonagricultural employment in India has accelerated after the middle of the first decade of this century. At the same time, the pace of job creation has been inadequate to absorb the rising supply of potential workers, especially females. The movement, with the rising education levels of workers away from agriculture will grow bigger as a challenge in the coming years, particularly in the rural areas.

The data from the new Census 2011 revealed that, among literates, unemployment rates were higher among the better qualified, being the highest of all among the 7.2 million people with a technical diploma or certificate aside from a degree (The Hindu, November 07, 2015). The article also states that at all levels, unemployment rates were higher in rural than in urban areas. At each level of, particularly at the higher levels, female unemployment exceeded male unemployment. The ‘unemployed’ included those who were not currently working but were seeking or available for work, as well as those in marginal employment. They worked for fewer than six months in the year preceding the Census and who were seeking or available for work. Overall, India’s unemployment rate grew from 6.8 percentage in

2001 to 9.6 percentage in 2011, based on official Census data. Unemployment grew faster for illiterates than for literates. Of the 116 million Indians who were either seeking or available for work, 32 million were illiterate and 84 literate. Half of these with the highest level of education were classified as “main workers” (The Hindu, November 07, 2015).

Verma (2012) also expresses that, unemployment is an acute problem in developing and under developed countries which has become a worldwide phenomenon. Various resources of a nation are unexploited due to this problem. Unemployment is not only a social or psychological problem but also an economic curve. If skills and energies are not channelized in proper direction it will lead to unemployment. Unemployment is a situation where a person is ready to work at existing wage rates but he does not get work. The existence of joblessness among youth creates many personal, social and economic problems for them and the society at large. Singh (2000) also points out that, there is unemployment among technically qualified youth on one hand while there is shortage of professionally qualified and skilled youth on the other.

The proportion of individuals within the age-group between 15-24 years has increased over time. With increase in school and college enrollment rates, it is expected that the proportion of youth within the labour force can decline but their high proportions of educated youth within the labour force indicate that the problem of youth unemployment and underemployment would remain a serious policy issue for many more years to come in India (Chandrasekhar et al., 2006). Awogbenle and Lwuamadi (2010) estimates that about 400 million new jobs would be required to absorb today's youths. Attributable to this decline in jobs and also the rise in the number of those unemployed, young people are forced to enter the informal sector.

Rajavel (2005) informs that unemployment is becoming a very serious problem of a country. It is a social problem that will create inequality of income, economic imbalance and frustration in the minds of the educated youth, exposing them to the danger of being attracted towards unwanted and anti-national activities. The unemployment problem is a great obstacle to the

economic progress of the nation. The extent of unemployment is a mirror image of the state of a nation's economy. Suffice to also say, youth unemployment is highly dependent on the overall status of the economy. Economic activity, measured by Gross Domestic Product Growth (GDP), is probably the single factor that influences the chances of young people finding a job. Low or negative GDP growth, economic recession and low investment are direct causes for the shrinking demand for labour (World Bank, 2001).

So as to face the challenges, it will be better to encourage the unemployed youth to become entrepreneurs. New jobs created by government in various departments gets crammed and new vacancies reemerge only after these persons retire. When government creates, say a hundred jobs in various departments, 100 persons get employed and the vacancies re-emerge only after these persons retire. If a hundred persons become entrepreneurs, they not only create hundred jobs for themselves but also provide employment to several lots. These enterprises grow by providing direct and indirect employment to many more. Thus, entrepreneurship is the best way to fight the ills of unemployment (Sharma, 2012).

In a labour abundant but capital short economy like India, there is limitation to the government in directly involving itself in increasing productivity considering the severe monetary fund, constraints, and pressing need for higher investment in the frontiers of social development. Hence, the people ought to come forward to engage themselves in productive activities by starting their own industrial units. When more and more persons come forward to start their own enterprises, the productivity of the nation will automatically improve. Solely with this aim in mind, the government implements a variety of programmes to induce self-employment and to develop entrepreneurship and entrepreneurs that are important for the economic prosperity of the nation.

Venkatachalam and Waqif (2005) inform that, increase in unemployment rates are attributed to worker displacement associated with the introduction of new technologies, high population increased rate, growth rate in the labour force and the declining mortality rate have initiated the youth to win their attention towards entrepreneurship. Verma (2012) also

stress that, entrepreneurship only can provide solution to growing unemployment both directly and indirectly. Entrepreneurship is most needed to prevent unemployment problem in India.

Entrepreneurship is a powerful force for economic growth and job creation; it makes economies more competitive and innovative. Entrepreneurship activities contribute towards the revitalization of the economy of developed countries and act as the engine of economic progress and job creation in developing countries (Hazarika, 2011). Nandan (2007), also affirm that, entrepreneurship plays a vital role in the development process. It sows the seeds of development and, in turn, facilitates the growth and spread of entrepreneurship. As society moves gradually from underdevelopment to the phase of development, market opportunities widen and individuals acquire more finance, purchasing power, skills, abilities and motives. As a result, the social and economic environments tend to become more conducive to the growth and also further expansion of entrepreneurship.

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. An entrepreneur is a person who starts an enterprise (Mahajan, 2013). In India's context, entrepreneurs hail either from communities which are traditionally endowed with entrepreneurial qualities or those from traditionally non- entrepreneurial groups (Verma, 2005). The early history of entrepreneurship in India is reflected from the culture, custom and tradition of Indian people. Several invaders came to India because India provided the most luxurious items to the then existing world. It is the Britishers who for their ulterior motives forcefully destabilized the then self sufficient Indian economy. England flourished and India had to pay for that. In the process India missed the industrial revolution bus (Kumar, 2008). Today entrepreneurship has become the most effective method for bridging the gap between science and the market place by creating new enterprise and delivering new products and services to the market and plays a significant role by providing a base for economy and providing jobs (Narayanan, 2013).

The role of entrepreneurship in economic development varies from economy to economy depending upon its material resources, industrial resources, industrial climate and the responsiveness of the political system to the entrepreneurial function (Kalra, 2008).

The strength of a nation is measured in terms of the impact it can create on world matters. A very important aspect of such an impact is entrepreneurship. Enterprise actually decides the pace and quantum of progress. Hence, entrepreneurship is to be encouraged for two reasons, firstly to infuse the sense of enterprise based on one's own potential which would benefit the society and secondly, it creates a lot of opportunities. The government alone cannot provide the wherewithal of livelihood for every citizen. Private enterprise could lend a helping hand to the society and also to the government through entrepreneurship (Muthulakshmi, 2011).

The growing interest, in the area of entrepreneurship has developed aboard interest in the changing role of small private enterprise. Small entrepreneurship has a fabulous potential in a developing country like India. The statistical data and its analyses of several countries show that small industries have grown faster than large industries over the last couple of decades. Small industries have created new workplaces (Bayineni, 2004). Today entrepreneurship is increasingly accepted as an important means and a valuable additional strategy to create jobs and improve livelihoods and economic independence for young people (Awogbenle and Lwuamadi, 2010).

Sharma (2012) opines that a country may be rich in natural resources but, lacking entrepreneurship, it may not be able to utilize the resources and it may lag behind other countries in economic development. This is true of many developing countries. Several developing countries have realized the importance of entrepreneurs and earnest attempts are being made to inspire industrial entrepreneurs. Narayanan (2013) also hope that, entrepreneurship among the youths of rural areas, for sure will assist in revitalizing or stimulating the country into rapid economic growth by creating job as issues in the today's economy. Thus, entrepreneurship among youth is regarded as an important factor of production which could be used to augment the output,

using material and human resource and facilitate in the creation of employment (Sarupariya, 2014).

Youth entrepreneurship has gained more importance in recent years in many countries with increased interest in entrepreneurship as a way of boosting economic competitiveness and promoting regional development. While youth entrepreneurship is an under-explored field in academic and policy debates, two main factors account for its growing attention in developed countries. The first is the increased number of unemployed young people compared to the rest of the population; the second is the need for greater competitiveness, and the accompanying pressures for skill development. In general terms youth unemployment is connected to: firstly, the difficult transition from college to work; secondly, the unwillingness of employers to employ inexperienced workers, and; thirdly, the frequent job changes by young people in an attempt to find a satisfactory job (United Nations, 2003).

Dash (2012) also quotes that, recently, interest in youth entrepreneurship has been fueled due to high levels of unemployment amongst young people and as a way to foster employment opportunities or to address social exclusion. Furthermore, entrepreneurship is seen as a channel for the talents of many highly educated young people in areas such as information technology, biotechnology and other modern industries. Young people are a major human resource for development, key agents for social change and driving force for economic development and technological innovation. However, harnessing these resources, may be a major challenge and is considered as the most critical. The mindset of the students ought to be diverted towards entrepreneurship from their interest towards seeking for employment (Mahendra and Venkatanarayana, 2013).

In recent years, there have been a number of efforts to shift the national mindset regarding entrepreneurship, particularly among India's youth, in whom it is hoped an entrepreneurial personality can be developed. It has been recently reported in India and it has also been found that younger people are more likely to be engaged in entrepreneurial activity (Manimala et al., 2001). Hence student's entrepreneurship is important in

order to reduce the unemployment among the youth. Most of the students after their college studies will search for jobs, but however some of them will be unemployed because of the serious competition in the job market. In such cases, entrepreneurship is the only way to alleviate unemployment and promote economic growth of the individual as well as the country. The students need first to understand the meaning and the concept of entrepreneur and entrepreneurship. Hence it is important to motivate the students to become entrepreneurs.

Students are the potential source of entrepreneurs. But it is usually seen that students are unaware about the opportunities for self-employment and entrepreneurial career. As a result, after completion of their education, they search opportunities for salaried employment, only to discover that the scope is very limited. It is a paradox that while we have educated youth, we are not in a position to utilize their education for social and economic development. The youth power is wasted. Again, job opportunities being limited, students can be made aware about opportunities for self-employment and entrepreneurial career when they are still students. This may have a positive impact on their thinking for self-employment and entrepreneurial career (Sharma, 2006).

Manivannan et al. (2013) view that, graduate entrepreneurship is portrayed as a solution to the youth unemployment crisis in many countries. The only way for the Indian government to decrease the pressure of creating millions of suitable jobs for graduates is by encouraging them to create their own jobs as well as employment for further employees in their venture. The human capital formed in youth is thus an important determinant of long term growth that a nation can invest on. Hence, ensuring that youths are well prepared for their future even at their college level is enormously important to the course of poverty reduction and growth (Awogbenle and Lwuamadi, 2010).

Entrepreneurs are considered without any doubt as pillars on which societies are built. To compete in the globalizing economy, developing countries like India have to tap the potential for entrepreneurial activity (Manivannan et al., 2013).

Anil Kumar et al. (2008) view that entrepreneurs are not necessarily born but they can be developed through education, training, and experience. Entrepreneur's talent exists in every society and in all sections of the society. In India socio-economic environment hinders the emergence of entrepreneurial talent. Development of Entrepreneurs refers to inculcating entrepreneurial skills required for setting up and operating business unit. Entrepreneurial development is an organized and ongoing process. Its basic purpose is to inspire person for entrepreneurial career.

Currently, entrepreneurship skills are considered as one of key attribute for students if they want to successfully navigate the job market after graduation. Many employers prefer students with entrepreneurship expertise when hiring entry-level positions. They consider these students to be more accountable for their own actions, have team work skills and know how to execute. Students with entrepreneurship experience are also considered to have better communication and sales skills that are necessary to be successful in business today. It is also widely accepted that entrepreneurship can be learnt and a positive relationship can be found between higher education levels and high levels of entrepreneurial activity (Gem, 2006).

According to Shane (2003) entrepreneurship process consist of capability to identify opportunity, collect resources, organize themselves and adapt strategy so that opportunity can be exploited. The knowledge, skills and information obtained through education will improve the expected returns for exploiting the opportunity. Entrepreneurship education not only improves knowledge, skill and information which are needed to pursue an opportunity, but also equip individuals with analytical ability and knowledge of entrepreneurial process which improve the entrepreneurial judgment. This type of knowledge is promoted through entrepreneurship development programme (McMullen and Shepherd 2006).

Brouwer (2002) states that the acquisition of entrepreneurial skills means possessing the ability to find and evaluate business opportunities, gather the necessary resources, initiate appropriate action to ensure success and to implement actions to take advantage of the opportunities for rewarding outcome. Lee et al. (2006) conclude that the school and the education

system play a pivotal role in predicting and developing entrepreneurial traits. According to Erhurum (2007) most entrepreneurial skills come by learning and practicing. Nevertheless, the various skills embedded in business related programmes need to be explored and learnt by prospective graduates so as to succeed later as entrepreneurs.

Brown (1999) also views that, courses in entrepreneurship are also becoming popular at college and university levels. An exponential interest in entrepreneurship studies has increased amongst both undergraduate and graduate students over the last decade, (Solomon, Weaver et al., 2008). The entrepreneurship development programme provides youths with insights into entrepreneurship and enterprise; it aims to help them realistically to consider the options of starting a small business or self-employment. Students must realize the importance and objectives of having knowledge, skills and attitude which are significant in their future employment or entrepreneurship (Laguador, 2003).

Adetayo (2006) comments that the growth of entrepreneurship programmes in educational institutions is remarkable for over past years and currently aiming to change the mindset of the youth. Colleges and universities provide entrepreneurial programmes to undergraduate and graduate students, including practicing and potential entrepreneurs outside the educational institutions. Today, entrepreneurship programmes have extended even to the secondary and primary levels of education and have become the focus of dialogue among many scholars. They believe that the introduction of entrepreneurship programmes to the youngsters at the lower level of education will enhance children's attributes and further develop awareness of entrepreneurial opportunities and skills to form entrepreneurial venture. Various government and non-governmental agencies working for the development of entrepreneurship also provide training for dropouts and untutored youths.

Whaynes (2000) envisage that motivating the students towards entrepreneurship will help to create jobs for the development of the economy. More young minds should be trained to create avenues for self-employment. Educational institutions are the places where we can develop the new ideas

and concepts among students for their development, particularly in search of employment. Guiding, motivating and training the students towards entrepreneurship will prevent unemployment among the youth in future. By motivating the students, we can prepare them to take up entrepreneurship in future.

In order to intensify the level of attitude to take up entrepreneurship as a choice of career among the unemployed youth and students, motivation is one of the important factor. Motivation is a process of stimulating the people to adopt a new course of action. Motivation refers to the way in which urges, drives, striving, and aspirations or needs of an individual is direct by control or explain the behavior of human being (Anil Kumar et al., 2008).

Universities across the globe have significantly expanded their curricular and co-curricular offerings to motivate entrepreneurship (Dickson et al., 2008). Many studies have revealed that entrepreneurial intention could be influenced from two sources, internal and external. Internal factors embrace a robust motivation and personal characteristics of students while external factors cover the external environment that may support or hinder entrepreneurial intention. In order to accelerate the formulation of new enterprises, creative programmes and policies backed up by sound institutional support are called for to identify, motivate and strengthen the new breed of entrepreneurs (Shabana, 2011).

Hence, it is important that, Colleges have to take up gender positive initiative to promote a sense of confidence to embark on business venture that can help the individual. Besides family and community, colleges can train students in possible skill-sets that would help them to be confident and conduct courses that will equip them with the necessary training in certain areas that can be handled by both men and women with ease (Muthulakshmi, 2011).

Women are the nuclei of a nation; they are the real builder and moulder of a nation's destiny. However, the educated Indian women have to go a long way to accomplish equal rights and position because traditions are deep rooted in Indian society where the sociological set up has been a male

dominated one. Despite all the social hurdles, Indian women stand tall from the rest of the crowd and are applauded for their achievements in their respective field. The transformation of social fabric of the Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a modification in the life style of Indian women. She has competed with man and successfully stood up with him in every walk of life and business is no exception for this. These women leaders are assertive, persuasive and willing to take risks. They managed to survive and succeed in this competitive world with their hard work, diligence and perseverance (Goyal and Parkash, 2011).

Though women population constitutes around 50 per cent of the world population, a large number of women around the world are unemployed. The world economy suffers a lot because of the unequal opportunity for women at workplaces. The main advantage of Women Empowerment is that there will be an overall development of the society. The money that women earn does not only help them and their family, but also helps to develop the society. Women Empowerment also leads to more economic benefits not to the individuals but to the society as well. Women empowerment helps women to be independent and also to earn for their family which grows country's economy. In this juncture, women empowerment is important for economic development (Subtra, 2016).

Thus, it is all the more essential to motivate and train the women to take up entrepreneurship even at their college level. It is imperative to empower them by initiating interest in them to become economically independent. Today women entrepreneurs represent to form a group of women who have broken away from 3 Ks (Kitchen, Kids, Knitting) to 4 Es (Electricity, Electronics, Energy, Engineering). Among the reasons for women to run business concern is to utilize their skill, knowledge, talents, abilities and creativity in business attention to achieve the desire goals (Shankar, 2016).

Hence the study was initiated with the following objectives: To

1. find out the existence of entrepreneurial skills among college students.
2. study the relationship between socio economic status of the family and their inclination towards learning entrepreneurial skills.
3. enhance the existing entrepreneurial skills through introducing capacity building and selected skill based training among government college students.
4. motivate the students to take up income generating activities
5. assess the impact of training on developing entrepreneurial skills.
6. find out the economic benefits gained through income generating activities instilled by the investigator.

Hypotheses set for the study are as follows:

1. There will be a significant difference between the nature of the college and entrepreneurial skills possessed by the students.
2. Entrepreneurial skills will significantly differ with the course of the study.
3. Family income will not have direct significance on entrepreneurial skills
4. There will be a significant association between parental expectations regarding the future of the selected samples and willingness to become entrepreneurs.
5. The existence of entrepreneurs in the family will not have a direct influence on willingness to become entrepreneurs.
6. Significant difference will exist between the entrepreneurial skills present before and after the training on basic skills

Colleges are the main places to drill the entrepreneurial skills and abilities among students and motivate them to take up entrepreneurship as their career choice in order to scale back the educated unemployment among youth. It is hoped that the study will motivate the competent graduates to take up entrepreneurship as a career which may give them the freedom of earning

at an early stage and open new vistas of employment among youth. This will definitely help in the economic prosperity of the country.

As dreamt by Abdul Kalam India may become one of the powerful countries in the world. As he said “Educationists Should Build the Capacity of The Spirit of Inquiry, Creativity, Entrepreneurial and Moral Leadership among Students and Become Their Role Model”

Hence the investigator felt that, it was very important to create awareness among the women college students about entrepreneurship in order to motivate them to take up entrepreneurship as their career and there was a dire need to motivate them to earn while they learn as most of the students from government colleges were from lower socio-economic status. It is all the more important to initiate this venture for women students in government colleges.

Significance of the study

The findings of the study will contribute greatly for the benefits of the society as the entrepreneurial skills play an important role in alleviating unemployment problem. Inculcating entrepreneurial skills in the young minds like college students will help the society by creating many new jobs which may inturn help to overcome poverty. Training the students towards the income generating activities during their college days will motivate them to become successful entrepreneurs in future. It is hoped that, they will not be a job seekers rather they will become a job provider. These student entrepreneurs may contribute equally in the income generation for the welfare of the family.

Scope of the study

The training on entrepreneurial skills to the students may help them to develop into full-fledged entrepreneurs and contribute to economic development of their family and the nation.

Limitations of the Study

1. Since the selected respondents were girl students, the investigator found it difficult to involve them in sales organized outside the college campus.
2. Parents of some of the students were not willing to send their wards outside of the college campus even for attending training.
3. Some of the parents had restricted the students to do the sales even inside the college campus.
4. Getting permission from the higher authorities for taking the students outside or to organize sales inside was a difficult task for the researcher.
5. Being girl students they could not exercise their preference to take up entrepreneurship before as well as after getting married.
6. Raising fund for starting a small business was found to be difficult among the students who were really interested in and who were in need.