

SKILLS REQUIRED BY GRADUATES OF B-SCHOOLS IN SOUTH INDIA TO BECOME ENTREPRENEURS: AN ACTION RESEARCH

Mr. Chandrashekhar C,

UGC – Junior Research Fellow (JRF), P.E.T. Research Foundation, Mandya (Affiliated to
University of Mysore)

Mr. Kowshik S,

Assistant Professor, Department of Commerce, SRN Adarsh College, Bengaluru.

Ms. Maria M,

Research Scholar, Mother Teresa Women's University, Kodaikanal.

ABSTRACT:

This research conducted on judgements of SMEs Managers regarding the abilities required by B-school graduates in south India for entrepreneurial development, this was motivated by the need to ensure that business education graduates in the region to learn necessary skills for entrepreneurial success. Three research questions directed the investigation, and six hypotheses were explored. The study was designed as a descriptive survey. The population was 540 and 230 selected as sample size using a proportionate stratified random selection procedure. Data was collected using a 30-item structured 5-point likert rating scale questionnaire that was validated. The test re-test approach was employed to establish the instrument's reliability, and Cronbach Alpha provided an overall reliability coefficient of 0.75. Mean and standard deviation were used to answer research questions and establish the cohesion of respondents' evaluations, while the z-test was used to test hypotheses at a significance level of 0.05. According to the findings, respondents evaluated human relations skills, innovative skills, and problem-solving skills as critical for business education graduates' entrepreneurial development. Based on these findings, it was recommended, among other things, that regulatory agencies for business education programs review the curriculum to integrate and adequately emphasise the skills rated as highly needed, and that implementers take appropriate approaches to help all graduates acquire them in order to become successful entrepreneurs who contribute to the area's entrepreneurial growth.

Keywords: Entrepreneurship, MSMEs, Business Schools. Entrepreneurial skills, Entrepreneurs

1.1 INTRODUCTION:

The mounting unemployment statistics in India is a greater social problem, which nurtures numerous social issues. In the recent past, India has been struggling with several haunting socio-economic issues, such as terrorism, financial hardship, inflation and economic slowdown shattered the confidence of entrepreneurial class, absence of corporate academia

liaison. Hence Graduates produced from the existing pattern of education seem to be a futile exercise for the economy and course contents have been in aloof. Accommodating this mushroom of graduates into a job has been a big challenge for the country. Besides several alternatives to accommodate the unemployed youth to be productive for the economy, the most important alternative suggested by economists is self-employment. Efficient and effective entrepreneurial strategies can be very fruitful both for the economy and the young graduates. Making the graduates realize to become the job producer or job giver instead of becoming employee, far better choice. The choice of entrepreneurship career carries numerous opportunities to grow, to enjoy more benefits, and earn greater financial gains. In order to become a successful entrepreneur, young graduates require attitude and personality. Thus positive attitude and consistent personality have a significant and positive relationship with entrepreneurship intention (Vodă & Florea, 2019). For the successful execution of entrepreneurial activities, one should have to be street smart rather than book smart. Hence personality traits have a direct and significant impact on entrepreneurial intention, which includes initiating a business, excelling, innovating and expanding entrepreneurial setup (Pekkala, Kerr, & Xu, 2017).

Karnataka and Tamilnadu are significantly involved in engaging with young people due to its huge population and, in comparison to other Indian states they have a relatively matured engagement ecosystem for young people. Karnataka's socio-economic conditions are favourable for making it as suitable location for launching new ventures (Chandrashekhar C, & Arpitha H R, 2022). In order to realize the significance of business attitude among business graduates, this study intended to investigate the causes for failure to inculcate entrepreneurial intentions into business graduates of Karnataka and Tamilnadu.

1.2 OPERATIONAL DEFINITIONS:

1.2.1 ENTREPRENEUR AND ENTREPRENEURSHIP:

Entrepreneurs are the "engines of economic growth". They have brought enormous positive contributions to a country's economic growth and social development. Among the contributions are such as innovation and job creation. As entrepreneurship is synonymous with self-employed, it is believed to be an effective strategy in handling the issue of employability, particularly among the youths.

1.2.2 BUSINESS GRADUATES:

B-School graduates are the ones who have studied bachelors' degree or master's degree in the specialised area of business and commerce. Example: BBA, B.Com, BBM, MBA, M.Com, MFS and any other equivalent qualification recognised by the University Grant Commission.

1.3 LITERATURE REVIEW:

Entrepreneurs in any economy contribute enormously (Vodă & Florea 2019). It is an organized, predetermined, deliberate behaviour, and its formation heavily depends on personal attitudes. Entrepreneurship is offered in most of the universities in different countries as part of the curriculum but it is evident that levels of entrepreneurship are still not improving

specially in many developing countries (Herrington et.al 2009). As a reason, the curriculum and its feature is the major problem. The researcher pilot survey shows that, our students are not interested to take the lesson or entrepreneurship course and entrepreneurship related trainings because of the course curriculum contents and teaching and assessment is delivered through the normal classroom methods, which is more of theory based; it does not provide practical clue; due to this, they are not initiated. Yet, they are waiting the government or some company else offering of jobs. According to Katz, J. (1992) there is evidences that aspiring entrepreneur do have different demographic characteristics such as age, gender, self-employment experience, family background, education background, strength of financial resources, dissatisfaction with hours of work and pay etc. It also associated with the psychographic factors such as attitude toward risk, achievement motive, tolerance for ambiguity, locus of control etc.

According to Thompson, E.R. (2009), Entrepreneurial intention is a self-knowledge conviction by a person who intends to set up a new business venture and consciously plans to do so at some point in the future. If one knows entrepreneurial intention and its level of existence among individuals, then she/he can predict whether enterprising students exist in the university population or not. This implies that students with entrepreneurial intention will end up in setting business ventures (Fridoline W. 2009). According to Ertuna and Gruels (2011) university students with an entrepreneurial family have significantly higher entrepreneurial intention to become an entrepreneur than those students who have non-entrepreneurial family. According to Fayolle, A., & Gailly, B. (2015) Prior entrepreneurial experience has also been seen as a factor that influences entrepreneurial intention. Researchers have argued that entrepreneurship is context specific, and therefore, entrepreneurial intention is affected by individual and socio-cultural factors. Thus, besides self-efficacy, other factors, such as pro-activeness, risk propensity (individual factors), perceived opportunities and role models (socio-cultural factors), could also act as influencing factors of entrepreneurial intention (Singh, B., Verma, P., & Rao, M. K. 2016).

1.4 PURPOSE OF THE STUDY:

This study was conducted to determine the MSME's managers rating of skills needed by B-School graduates for entrepreneurial development in India. Especially, the study determines the rating of MSME's managers on:

1. Human relation skills needed by business education graduates for entrepreneurial development in India.
2. Innovative skills needed by business education graduates for entrepreneurial development in India.
3. Problem solving skills needed by business education graduates for entrepreneurial development in India.

1.5 STATEMENT OF THE PROBLEM:

There are lots of renowned business schools and colleges are situated in Karnataka and Tamil Nadu but they aren't able to produce effective entrepreneurs and start-ups, hence this

study is intended to investigate the causes for failure of education system to make B-school graduates as successful entrepreneur and to know the skills needed to develop entrepreneurship among them.

1.6 RESEARCH METHODOLOGY:

The design adopted in this study was descriptive survey. The study was carried out in India and covered Karnataka and Tamil Nadu States. The choice of the two states was informed by the fact that they have vast potential for entrepreneurial development as well as several tertiary institutions offering business education programs. Population comprised 540 managers of Small and Medium Enterprises (282 from Karnataka State and 258 from Tamil Nadu State).

By experience, they understand the entrepreneurial atmosphere in the area and, therefore, were in a better position to know the skills that will help fresh graduates to succeed. A sample size of 230 (120 from Karnataka State and 110 from Tamil Nadu State) was drawn using proportionate stratified random sampling technique with the aid of Yaro Yamane's formula and Bowley's formula. A 5-point rating scale questionnaire which was validated by experts both in business education and test and measurement was used for data collection. Test-retest method was used to determine the reliability coefficient of the instrument and data collected were analyzed with Cronbach Alpha which yielded a reliability coefficient of 0.75. The instrument was administered through direct contact with the respondents and out of the total 230 copies administered, 228 copies were retrieved and used for analysis. Data collected relative to the research questions were analyzed with arithmetic mean and standard deviation while Z-test was used to test the hypotheses at 5% significance level.

1.7 OBJECTIVES OF THE STUDY:

1. To know what extent does B-School graduates need human - relation skills, Innovative skills and problem-solving skills for entrepreneurial development.
2. To compare the mean ratings of SMEs managers in Karnataka and Tamil Nadu States on the human relation skills, Innovation skills and problem-solving skills.

1.8 HYPOTHESES

For objective 1:

1. There is no significant difference in need of human -relation skills and entrepreneurial development among B-School graduates.
2. There is no significant difference in need of Innovative skills and entrepreneurial development among B-School graduates.
3. There is no significant difference in need of Problem solving skills and entrepreneurial development among B-School graduates.

For objective 2:

4. There is no significant difference in the mean ratings of SMEs managers in Karnataka and Tamil Nadu States on the human relation skills needed by business education graduates for entrepreneurial development.

5. There is no significant difference in the mean ratings of Karnataka and Tamil Nadu SMEs managers on the innovative skills needed by business education graduates for entrepreneurial development.
6. There is no significant difference in the mean ratings of Karnataka and Tamil Nadu SMEs managers on the problem-solving skills needed by business education graduates for entrepreneurial development.

The above null hypotheses are tested at 5% significance level.

2. TESTING OF HYPOTHESES AND DATA INTERPRETATION:

2.1. There is no significant difference in need of human - relation skills and entrepreneurial development among B-School graduates.

Table: 1

Respondents (SMEs Managers) mean ratings on Human Relation skills needed by Business Education Graduates for Entrepreneurial Development in India (N=228)

Items	Human Relation Skills needed by B-School graduates	Mean	SD	Extent of need
1	Ability to boost people's esteem for mutual gain.	4.27	0.78	High
2	Showing positive reinforcement when communicating with others	4.19	0.85	High
3	Ability to develop good customer orientation for effective operation.	4.50	0.74	Very high
4	Ability to persuade customers and stakeholder as expected.	4.36	0.78	High
5	Ability to organize customer meetings to improve their buying behaviour.	4.07	0.96	High
6	Establishment of linkages with other businesses and stakeholders for mutual learning and collaborative undertaking.	4.03	0.82	High
7	Having genuine regards for customers.	4.38	0.85	High
8	Recognizing the behavioural style of customers.	4.22	0.89	High
9	Understanding the basic things which motivate customers.	4.45	0.72	High
10	Ability to manage time effectively.	4.57	0.68	Very high
	Grand Mean	4.30		High

Statistical Inference: Table 1 reveals that two items received mean ratings of 4.50 and 4.57, indicating that they are very highly needed, while eight received mean ratings ranging from 4.03 to 4.45, indicating that they are highly needed by business graduates for entrepreneurial development in India. However, the grand mean of 4.30 indicates that human relations

abilities are in high demand among business graduates. The standard deviations for all of the questions are within the same range, implying that the respondents' assessments are not widely disparate.

2.2. There is no significant difference in need of Innovative skills and entrepreneurial development among B-School graduates.

Table: 2

Respondents (SMEs Managers) mean ratings on Innovative skills needed by Business Education Graduates for Entrepreneurial Development in India (N=228)

Items	Innovative Skills needed by B-School graduates	Mean	SD	Extent of need
1	Ability to generate new business ideas.	4.68	0.62	Very high
2	Ability to introduce new products.	4.54	0.72	Very high
3	Ability to introduce new method of productivity.	4.43	0.74	High
4	Ability to combine ideas and knowledge into new value.	4.41	0.74	High
5	Ability to explore new sources of supply of raw materials.	4.22	0.81	High
6	Ability to open new markets.	4.04	0.94	High
7	Ability to create new wealth.	4.17	0.83	High
8	Ability to gain access to technology on innovation in small scale business.	4.30	0.81	High
9	Ability to add value to customers' satisfaction.	4.40	0.74	High
10	Ability to meet customers' needs.	4.55	0.71	Very high
	Grand Mean	4.37		High

Statistical Inference: Table 2 shows that three items received mean ratings of 4.68, 4.54, and 4.55, indicating that they are very highly needed, while seven received mean ratings ranging from 4.04 to 4.43, indicating that they are highly needed by B-school graduates for entrepreneurial development in India. However, the grand mean of 4.37 demonstrates that business education graduates with innovative talents are in high demand for entrepreneurial development in India. The standard deviations for all items are within the same range, implying that the respondents' assessments are close.

2.3. There is no significant difference in need of Problem solving skills and entrepreneurial development among B-School graduates.

Table: 3

Respondents (SMEs Managers) mean ratings on Problem solving skills needed by Business Education Graduates for Entrepreneurial Development in India (N=228)

Items	Problem solving skills needed by B-School graduates	Mean	SD	Extent of need
1	Ability to recognize and identify problems	4.52	0.77	Very high
2	Ability to identify reasons for the discrepancies in products	4.22	0.87	High
3	Ability to develop critical thinking to turn problem into opportunities	4.34	0.82	High
4	Thorough understanding of the line of business involved	4.35	0.85	High
5	Ability to team up with experts in solving problems	4.30	0.87	High
6	Ability to believe that a solution exists for every problem	4.29	0.96	High
7	Ability to implement a plan of action to resolve problem	4.25	0.88	High
8	Careful analysis of data collected to enhance the business	4.21	0.93	High
9	Courage to take extreme measures to identified problem	4.22	0.97	High
10	Ability to evaluate and monitor progress	4.22	0.92	High
	Grand Mean	4.29		High

Statistical Inference: With a mean rating of 4.52, the data in Table 3 indicates that the respondents thought item 1 was extremely important. The other nine criteria, on the other hand, had mean ratings ranging from 4.21-4.25, indicating that graduates in business education are in great need of them for the development of entrepreneurship in India. Nonetheless, the grand mean of 4.29 indicates that graduates of business education are greatly in need of problem-solving abilities for the growth of their entrepreneurial ventures in India. All of the item standard deviations fall within the same range, suggesting that the respondents' assessments are consistent.

2.4. There is no significant difference in the mean ratings of SMEs managers in Karnataka and Tamil Nadu States on the human relation skills needed by business education graduates for entrepreneurial development.

Table 4: Summary of Z-test Analysis of the Mean Ratings of Respondents in Karnataka and Tamilnadu States on human relation skills needed by Business Education Graduates for Entrepreneurial development in India.

<i>Variables</i>	<i>N</i>	<i>Mean</i>	<i>SD</i>	<i>Sig.</i>	<i>DF</i>	<i>Z-calculated value</i>	<i>Z critical value</i>	<i>Remark</i>

Karnataka	118	4.26	0.41	0.05	226	1.69	1.96	Accepted
Tamilnadu	110	4.35	0.37					

Statistical Inference: Table 4 data demonstrates that the z-value of 1.96 in the z-table is greater than the computed z-value of 1.69 at 226 degrees of freedom and the level of significance is 0.05. This indicates that there is no discernible difference between the mean responses from respondents in Tamilnadu State and Karnataka on the interpersonal skills required of graduates of business education for the growth of their own businesses. As a result, the hypothesis is accepted.

2.5. There is no significant difference in the mean ratings of Karnataka and Tamil Nadu SMEs managers on the innovative skills needed by business education graduates for entrepreneurial development.

Table 5: Summary of Z-test Analysis of the Mean Ratings of Respondents in Karnataka and Tamilnadu States on innovative skills needed by Business Education Graduates for Entrepreneurial development in India.

<i>Variables</i>	<i>N</i>	<i>Mean</i>	<i>SD</i>	<i>Sig.</i>	<i>DF</i>	<i>Z-calculated value</i>	<i>Z critical value</i>	<i>-Remark</i>
Karnataka	118	4.33	0.44	0.05	226	1.83	1.96	Accepted
Tamilnadu	110	4.43	0.40					

Statistical Inference: The computed z-value of 1.83 at 226 degrees of freedom and a 0.05 level of significance is less than the crucial value of 1.96, according to data in Table 5. This indicates that there is no discernible difference in the mean assessments of respondents from the states of Karnataka and Tamilnadu about the innovative talents required of business education graduates to foster entrepreneurial success. Therefore, the data is insufficient to rule out the null hypothesis.

2.6. There is no significant difference in the mean ratings of Karnataka and Tamil Nadu SMEs managers on the problem-solving skills needed by business education graduates for entrepreneurial development.

Table 6: Summary of Z-test Analysis of the Mean Ratings of Respondents in Karnataka and Tamilnadu States on problem-solving skills needed by Business Education Graduates for Entrepreneurial development in India.

<i>Variables</i>	<i>N</i>	<i>Mean</i>	<i>SD</i>	<i>Sig.</i>	<i>DF</i>	<i>Z-calculated value</i>	<i>Z critical value</i>	<i>-Remark</i>
Karnataka	118	4.30	0.50	0.05	226	0.31	1.96	Accepted
Tamilnadu	110	4.28	0.63					

Statistical Inference: According to Table 6, the computed z-value of 0.31 at degree of freedom 226 and significance level 0.05 is less than the crucial value of 1.96. Consequently, there was no rejection of the third null hypothesis. Thus, the researcher came to the conclusion that there is no discernible difference between the mean ratings of respondents from the states of Karnataka and Tamilnadu on the problem-solving abilities required of business education graduates for the growth of entrepreneurship in India.

3. FINDINGS:

1. The study's findings about human relations indicate that graduates of business schools in India are extremely dependent on them for the growth of their entrepreneurial ventures.
2. Managers of SMEs concluded that graduates of business schools were in dire need of innovative talents in order to foster entrepreneurial growth.
3. Managers of SMEs believed that graduates of business education must possess strong problem-solving abilities in order to foster entrepreneurial growth.
4. The mean assessments of SMEs managers in the states of Karnataka and Tamil Nadu about the interpersonal skills required of graduates of business education for the development of entrepreneurship show no discernible variation.
5. The mean assessments of SMEs managers in Tamil Nadu and Karnataka about the innovative skills required of business education graduates for the development of entrepreneurship show no discernible variation.
6. The mean ratings of SMEs managers in Tamil Nadu and Karnataka regarding the problem-solving abilities required of business education graduates for entrepreneurial development do not differ significantly.

4. SUGGESTIONS:

1. To inculcate business attitude among young graduates the incubator centres, accelerators have to be established in all public and private business schools in the country.
2. The Professors in business education should make use of appropriate methods and resources to guarantee that their students have the necessary interpersonal, creative, and problem-solving abilities to launch profitable businesses after graduation.
3. Organisations that oversee business education programmes (UGC and AICTE) ought to examine the current syllabus to incorporate human relations, inventive, and problem-solving abilities, thereby preparing graduates to launch their own companies and achieve success as entrepreneurs.
4. The government should educate business education lecturers to develop interpersonal, inventive, and problem-solving abilities, as they cannot provide what they do not have.

5. CONCLUSION:

Business education graduates and practicing entrepreneurs require strong interpersonal, innovative, and problem-solving skills in order to succeed in self-employment and contribute to entrepreneurial development. Human relations are a key skill area required in the workplace since they contribute significantly to the attainment of organisational objectives. Innovative capacity was one of the most significant entrepreneurial abilities that technical and vocational education graduates needed to thrive in their firms. One of the most important abilities for entrepreneurs to possess is the ability to solve problems. In essence, business education graduates should be able to recognise that a business is formed on the issues, requirements, and desires of its customers; otherwise, there would be no business at all.

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