

Perception of educated unemployed rural youth towards entrepreneurial activities for self-employment

Abstract:

For establishing any enterprise, the perception of respondents towards various aspects regarding the entrepreneurial activities plays an important role to establish positive thoughts and approaches to be an entrepreneur. Therefore, perception study pays a significant role in this regard. In this study an attempt has been made to understand the perception of respondents regarding socio cultural environment, family support, fear to engage in entrepreneurship. The current study was carried in Khordha district of Odisha covering 2 blocks namely Banpur and Tangi, 16 villages were selected and a total of 120 respondent's response were recorded based on a pre-tested interview schedule. The respondents were selected by proportionate random sampling method.

Keywords- Perception, Unemployed, Youth, Entrepreneurship

Introduction:

In rural areas, the issue of educated unemployment among youth remains a significant challenge, prompting a critical examination of their perceptions towards entrepreneurial activities as a means of self-employment. The nexus between education and employment in rural settings often presents a paradox: despite acquiring education, many rural youth find themselves grappling with limited job opportunities, leading to a burgeoning population of educated unemployed individuals. Understanding the attitudes and perceptions of these youth towards entrepreneurship is imperative for crafting effective strategies to harness their potential and address the socio-economic disparities prevalent in rural communities. This study aims to delve into the intricate dynamics shaping the mindset of educated unemployed rural youth regarding entrepreneurial ventures, exploring their motivations, barriers, and aspirations. By shedding light on these perceptions, policymakers, educators, and stakeholders can formulate targeted interventions to foster an enabling environment for entrepreneurship, empowering rural youth to embark on self-sustaining pathways towards economic prosperity and societal development.

RESEARCH METHODOLOGY:

Selection of problem

Selection of problem is the most important factors in social research. In the present study entitled "Perceptual analysis of educated unemployed rural youth towards entrepreneurship for self-employment" was under taken to find out the socio-economic profile of the respondents, their perception towards entrepreneurship for self-employment, awareness of

respondents on government schemes and programs for entrepreneurship development and to study the perceived constraints towards entrepreneurship for self-employment and obtain suggestions to outcome constraints.

Formulation of hypothesis

The study proposes to formulate the following hypothesis:

- H1 - Rural unemployed youth have acquired better perception towards entrepreneurial activities for self-employment.
- H2 - The respondents have better awareness regarding government schemes & programs for entrepreneurship development.
- H3 - There is significant constraints towards entrepreneurship for self-employment among the unemployed rural youth.

Plan of work

Before actual investigation, efforts were made to conduct a detailed survey of all related aspects of educated unemployed rural youth for self-employment during the course of study. Hence the areas of investigation, sample size, the methods of analysis of data etc. were chalked out in detail, keeping a number of limitations in view and within a stipulated academic period it need to be completed.

Research design

A research design is a plan that directs the researcher as they gather, examine, and analyze data to make findings. The current study is ex-post facto in nature and falls under the umbrella of survey research. Ex-post facto research design is a methodical investigation in which the researcher has no direct influence over independent variables since they have already manifested. Decisions were made on the methods of inquiry, the research materials and instruments to be employed, and the statistical tools to be included in light of the study's aims and scope.

Locale Study

The study was conducted in Khordha district of Odisha purposively. Total 120 no. of respondents were selected randomly for data collection. So that the investigator can contact the individuals within time limit of his study.

Sampling procedure

Both purposive and random sampling techniques were followed for the study. The state, district, were selected purposively whereas blocks, gram panchayats, villages and respondents were selected by multi stage random sampling methods.

Selection of District

Khordha district of Odisha was selected purposively for the study because, Khordha has both urban and rural areas and is home to several educational institutions, including colleges and universities. This makes it likely that there is a significant population of educated unemployed youth in the district, making it a suitable location for study. Studying this district can also provide insights into the challenges and opportunities faced by educated unemployed youth in rural settings across the state.

Selection of Blocks

Khordha district comprise of 10 blocks such as, Baliana, Balipatna, Banpur, Begunia, Bhubaneswar, Bolagarh, Chilika, Jatni, Khordha, Tangi. Out of these Banpur and Tangi blocks are more accessible for fieldwork compared to covering the all-other blocks. Focusing on specific blocks enables to build local expertise and relationships within those communities. Local knowledge and connections can be invaluable in gaining the trust of participants and collecting meaningful data.

Selection of Gram panchayats

Banpur block consist of 18-gram panchayats and Tangi block consist of 26-gram panchayats. Out of which 4-gram panchayats were selected randomly from each block. The selected gram panchayats of Banpur block are Ayatapur, Torasingh, Bheteswar, Galua and gram panchayat of Tangi block are Olasingh, Chhanagiri, Sarapari, Nirakarpur. All these gram panchayats were selected randomly.

Selection of Villages

From each of the gram panchayats two villages were selected randomly for the study. Total 16 numbers of villages were selected.

Selection of Respondents

The respondents of the study were selected by proportionate random sampling method which confined to 120 numbers of educated unemployed rural youth.

Village wise respondents selected for the study

(N=120)

District	Block	Gram Panchayat	Village	Total no. of unemployed rural youth	No. of respondent selected on proportionate random sampling
Khordha	Banpur	Ayatapur	Tota	11	6
			Ayatapur	13	7
		Torasingh	Torasingh	17	9
			Nachhipur	12	6
		Bheteswar	Borigaon	19	10
			Betuli	23	12
		Galua	Matiapokhari	15	8
			Sanahantuad	11	6

	Tangi	Olasingh	Gayabandha	12	6		
			Damanbhuin	14	7		
		Chhanagiri	Rambhabil	16	8		
			Chhanagiri	21	11		
		Sarapari	Bagheiput	23	12		
			Sarapari	9	4		
		Nirakarpur	Dia	8	4		
			Nirakarpur	7	4		
		Total	2	8	16	231	120

Proportionate random sampling =

Total no. of unemployed youth in the individual selected village/Grand total no. of unemployed youth of the selected village × Total no. of respondent selected for the study.

Pilot study

Before finalization of variables & preparation of interview schedule, pilot study was conducted to collect primary information about the area & respondents through discussing with experts, grass hoot level extension functionaries, key communicators of the village, field functionaries etc. the information gathered made it easier for researchers to choose and decide on the factors for selection of appropriate variables & preparation of interview for collection of information from the respondents.

Pre-testing of interview schedule

The prepared interview schedule was administered to a sample size of 10 per cent randomly selected respondents, other than the respondents selected for the study. On the basis of pre tested interview schedule necessary addition, deletion & alteration were made in the interview schedule for easy administration & collection of information from the respondents of the study.

Preparation of final Interview schedule

On the basis of pre-testing a current & most appropriate final interview schedule was developed for collection of data from the studied area in order to access the reliability of the instrument, a test & retest method of reliability was studied for the purpose the same group of respondents earlier selected for pre-testing purpose were reinterviewed using the same interview schedule after 4 weeks. It was observed that there was no difference in the answers of the respondents in 1st & 2nd test. This proved that the instrument was sufficiently reliable for the purpose of data collection.

Perception regarding socio cultural environment:

Socio cultural environment plays an important role in entrepreneurship development. The educated youth decision to be an entrepreneur is influenced by his/her surrounding socio-cultural environment. This indicates that positive or encouraging or negative or discouraging reactions to the socio-cultural environment to analyze the perception regarding sociocultural environment. The responses were obtained & summarized in the table below.

**Table-1 Perception regarding socio cultural environment:
(N=120)**

Sl. No	Statements	SDA (1)	DA (2)	UD (3)	A (4)	SA (5)	Mean score	Rank order
1	Socio-cultural environment of rural areas encourages entrepreneurship for self-employment of educated youth	1	2	17	57	43	4.15	II
2	Friends & neighbours encourage for entrepreneurial activities or entrepreneurship in rural areas.	1	22	27	51	19	3.54	VI

3	Stigma/social taboos discourages entrepreneurship.	1	18	31	45	25	3.62	V
4	Social, economic, political & ecological problems in rural areas leads to migration towards cities.	1	3	12	58	46	4.20	I
5	Lack of awareness is a major handicap in entrepreneurship development.	0	4	19	67	30	4.02	IV
6	Entrepreneurship development provides new job opportunities to rural people.	2	5	10	68	35	4.07	III

The above table depicted that among socio cultural environment socio economic political ecological problem in rural areas leads to migration towards cities ranked 1st with mean score 4.20 followed by socio cultural of rural areas encourages entrepreneurship for self-employment of educated youth, entrepreneurship development provides new job opportunities to rural people with mean score 4.15, 4.07 & ranked 2nd 3rd respectively. It can be concluded that the educated rural youth migrate to nearby cities & distance places for seeking job opportunities for sustenance of their livelihood as there is no job opportunities in rural areas. Though there is ample scope in the rural areas for development of entrepreneurial activities by utilising local available resources no such initiatives not yet been taken by the government agencies for development of cottage industries. Therefore, to promote entrepreneurial activities in rural sector the educated youth should be trained and motivated for promotion of rural entrepreneurship by the government agencies, involved in self-promotion activities in rural sector.

Perception regarding family support:

The family support is very important on the on the part of an entrepreneur for start-up any entrepreneurial activities.

**Table-2 Perception regarding family support:
(N=120)**

Sl. No	Statements	SDA (1)	DA (2)	UD (3)	A (4)	SA (5)	Mean score	Rank order
1	My family members & relatives encourages for self-employment in entrepreneurial activities.	2	13	7	60	38	3.99	I

2	Family members & relatives gives rural support for start-up & business.	0	19	24	59	18	3.63	II
3	Friends & relatives can give financial support to start any venture.	1	26	26	50	17	3.46	III

The data & the above table revealed that majority of the respondents (3.99%) perceived that family members & relatives encourages educated rural youth for self-employment in entrepreneurial activities which rank 1st in order of importance. Followed by family members & relatives gives rural support for start-up & business & friends & relatives can give financial support to start any venture with mean score 3.63, 3.46 & were ranked 2nd and 3rd respectively. From the above findings it can be concluded that family members, friends & relatives moral support and financial assistance acts as a motivational factor for start-up any enterprise is of paramount importance on the part of the educated youths.

Perception regarding fear to engage in entrepreneurship:

The decision of educated youth for starting any new entrepreneurial venture is influenced by perceived fearness associated with some of the entrepreneurial activities an attempt has been made to analyze the perception of educated rural youth regarding fear to engage in entrepreneurial activities in the following table.

**Table-3 Perception regarding fear to engage in entrepreneurship:
(N=120)**

Sl. No	Statements	SDA (1)	D A (2)	UD (3)	A (4)	SA (5)	Mean score	Rank order
1	Due to lack of proper entrepreneurial education, majority of rural youth are fear to engage in entrepreneurial activities.	0	0	8	58	54	4.38	I
2	Skill oriented training did not grab the attention of educated rural youth.	7	27	33	39	14	3.21	XII
3	Running a business in rural area is more challenging.	2	5	23	43	47	4.06	VI
4	There is financial risk involvement in entrepreneurship.	4	5	14	52	45	4.07	V
5	Lack of technical & management skill discourage youth to start a business.	2	6	17	57	38	4.02	VII

6	There is difficulty in access to start-up capital.	1	13	29	49	28	3.75	X
7	There is heavy competition among entrepreneurs for their projects.	2	15	29	49	25	3.66	XI
8	There is risk in entrepreneurial activities.	2	5	16	52	45	4.10	III
9	Lack of awareness on how to start a new venture.	2	5	27	56	30	3.89	VIII
10	The entrepreneur must have risk bearing ability.	0	4	13	56	47	4.21	II
11	Youth inability to receive government loans or bank loans.	2	10	23	59	26	3.80	IX
12	The present course syllabus does not provide any motivation or guidance to youth for self-employment.	3	32	28	39	18	3.30	XIII
13	Despite all the inadequacies in rural areas one should assess their strength & build on them to make rural areas place of opportunities.	1	9	16	46	48	4.09	IV

The data in the above table revealed that majority of the respondents (4.38%) had perceived fear due to lack of proper entrepreneurial education, majority of rural youth fear to engage in entrepreneurial activities which ranked 1st. followed by the entrepreneur must have risk bearing ability, there is risk in entrepreneurial activities, despite all the inadequacies in rural areas one should assess their strength & build on them to make rural areas place of opportunities, there is financial risk involvement in entrepreneurship with mean score 4.21, 4.10, 4.09, 4.07 & ranked 2nd 3rd 4th & 5th respectively. It may be concluded from the findings of the table that in majority of the areas people fear to undertake entrepreneurial activities for self-employment the reason might be due to the fact that lack of entrepreneurial education, risk in entrepreneurial activities, risk bearing ability of the respondents, lack of awareness and knowledge on government schemes, policies, plans & opportunities for availing government subsidiaries for start-up venture in rural areas are some of the major perceived fear among youth to undertake entrepreneurship.

Further an attempt has been made to categorized the respondents according to their perception in low, medium and high category. The details are as follows.

**Table-4 Categorization of respondents according to their perception:
(N=120)**

VARIABLES	LOW	MEDIUM	HIGH	TOTAL
Perception Regarding Socio-cultural environment-	22	88	10	120
PERCENTAGE (%)	18.33	73.33	8.33	100.00
Perception Regarding family Support-	23	84	13	120
PERCENTAGE (%)	19.17	70.00	10.83	100.00
Perception Regarding fear to engage in entrepreneurship -	27	71	22	120
PERCENTAGE (%)	22.50	59.17	18.33	100.00

From the table it is observed that majority of the respondents had medium perception category with respect to socio cultural environment, family support, & fear to engage in entrepreneurship. Further an attempt has been made to assess the influence of socio-economic variable with perception of respondents.

**Correlation analysis of socio-economic variables with Perception
(N=120)**

Independent Variables	Perception
Age	-.005
Gender	.012
Caste	.055
Education	.186*
Family type	.083
Annual family income	.062
Sources of information	.016
Risk bearing ability	.388**
Attitude	.413**
Innovativeness	.262**
Cosmo politeness	-.036
Self confidence	.330**
Leadership quality	.375**

****.** Correlation is significant at the 0.01 level (2-tailed). *****. Correlation is significant at the 0.05 level (2-tailed).

Correlation analysis of independent variables with perception of respondents revealed that out of 13 variables under the study, only 5 variables namely risk bearing ability, attitude, innovativeness, self-confidence & leadership ability had highly significant & positive relationship with the perception of respondents at 0.01 per cent level of significant. Only one variable that is education had significant & positive relationship at 0.05 level of significance.

Further an attempt has been made to study the multiple regression analysis. Multiple regression analysis is carried out for determining the contribution of independent variables with the perception of respondents and the data are presented in the table below.

Table-4 Multiple Regression analysis of socio-economic variables with Perception: (N=120)

Model		Coefficients				T	Sig.
		Unstandardized Coefficients		Standardized Coefficients	Beta		
		B	Std. Error				
1	(Constant)	9.308	12.577		.740	.461	
	Age	-2.738	1.501	-.165	-1.825	.071	
	Gender	-1.572	1.743	-.079	-.902	.369	
	Caste	1.662	1.633	.082	1.018	.311	
	Education	1.312	.585	.210	2.243	.027*	
	Family type	1.739	1.299	.108	1.339	.184	
	Annual family income	.636	.942	.057	.676	.501	
	Sources of information	.058	.455	.010	.128	.898	
	Risk bearing ability	.559	.217	.221	2.582	.011**	
	Attitude	.400	.110	.285	3.644	.000**	
	Innovativeness	.438	.356	.112	1.232	.221	
	Cosmopolitaness	1.415	.988	.120	1.432	.155	
	Self confidence	.666	.327	.182	2.036	.044*	
	Leadership quality	.392	.159	.207	2.465	.015**	
a. Dependent Variable: Perception							

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.650 ^a	.422	.351	6.52770

The findings revealed that out of 13 variables under the study only 3 variables namely risk bearing ability, attitude & leadership ability had highly significant & positive contribution towards perception of the respondents at 0.01 percent of significant. Two variables namely education & self-confidence had significant & positive contribution towards perception of the respondents at 0.05 percent level of significant. The remaining 8 variables showed non-significant contribution towards perception of respondents.

As evident from the significant “t” value of the variables, we can infer that, there is 1 unit increase in education, risk bearing ability, attitude, self-confidence & leadership ability there would be 0.027, 0.011, 0.000, 0.044 & 0.015 unit increased respectively of the perception of respondents. The R square value of 0.422 indicated that all the 13 independent variables jointly contributed towards perception of respondents to the extent of 42.20 percent.

Conclusion:

Entrepreneurs are regarded as nation builders. They promote economic returns to the growth and development of the country. Every year a large number of students are getting degrees and diplomas in various disciplines and after that they run after search of jobs in government and private sectors as per their educational status. It is not possible for the government & private sectors to provide job opportunities to each individual. Therefore, the educated youth should not run after jobs. The central and state government have launched various projects, schemes, programs etc. for entrepreneurship development among youths. The youth should harness these facilities to start-up new ventures for self-employment and should not be job seekers rather than job givers and to be boss in their own business. Therefore, the unemployed rural youth should focus on self-employment by undertaking various rural resource-based enterprises for self-employment. For entrepreneurship development strong family support and community support is of paramount importance. The government should focus on the constraints perceived by the rural youth and take necessary steps to mitigate these problems. Besides that, entrepreneurial trainings may be provided at the school and college level to motivate the youths towards entrepreneurship development in the country.

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