

Original Research Article

Creating Businesses by Students, Challenges and Prospects: Insights From The University Of Cape Coast.

Abstract

The goal of this research was to look into and investigate the obstacles (impacts) and opportunities that students at the University of Cape Coast face. To identify the variables impacting student entrepreneurship, the study used diffusion of innovation theory, McClelland theory, Abraham Maslow's Hierarchy, and Keller's ARCS Model. Examining the academic challenges or impact of student entrepreneurship; examining the social problems or impact of student entrepreneurship; examining the economic challenges or impact of student entrepreneurship; and examining the possibilities of entrepreneur ventures were the goals of the study. The study's target demographic was about 7500 undergraduates with no business experience. The convenience sampling technique was used to select a sample of 150 students. A questionnaire was utilized to obtain the information. According to the findings of this study, students generally regard entrepreneurship as having a detrimental impact on their academics, but they also believe that there are significant economic, social, and career rewards. As a result, most students perceive entrepreneurship to be a worthwhile concept to engage in while on university, but the biggest barrier that keeps them from doing so is the fear of jeopardizing their academics. According to the report, entrepreneurship should not be viewed as a niche subject for a select group of people. The University of Cape Coast has recently made a laudable effort in this direction by establishing an entrepreneurship course. Students should also be more informed

about the numerous financial aid programs offered by both government and non-governmental organizations.

Keywords: Status of Employment, Business, Entrepreneurship,

1. Introduction

“With the advent and swift development in field of technology and the forces of globalization, the world has become a global village characterized by an explosive growth in international business and competition” (Pahuja, 2015). Being a part of the global economy is posing innumerable and substantial challenges for organisations and industries throughout the world. On the other hand, to survive, keep pace with speed of advancement and lead in the challenging world is hard, at the same time, this opens up various new and unexplored doors of opportunities. Entrepreneurship which is one of the most powerful economic forces known to humankind is empowering to seek opportunity where others find intractable problems. Entrepreneurship is the symbol of business tenacity and achievement; it is a vital source of change in all facets of society. A topic which attracts the most attention among academicians and journalists is entrepreneurship. Researchers have been focusing on the function of an entrepreneur which is to serve the economy. The concept of entrepreneurship can be understood as a process of vision, modification and conception. The act of entrepreneurship needs a certain amount of energy and passion to create and implement new ideas. According to (Beeka, Rimmington, & Buang, 2011), entrepreneurship is one of the career options for youths and graduates. (Sharma & Madan, 2014), points out that governments and local communities worldwide have recognized that youth entrepreneurship is key to building prosperity and stimulating regional growth is fostering entrepreneurship among their people especially youth. Promoting youth entrepreneurship can help to reduce unemployment. There seems to be an agreement that the act of entrepreneurship

involves creating something new. In addition, entrepreneurship can be interpreted as a “process” rather than one-time occasion, accomplishment or decision. It is all based on the level of creativity a person has to uncover new ideas and also to arrange the resources in ways that have not been done before. Entrepreneurship is strongly encouraged all over the world, and it is certainly one of the most important areas of research in that the entrepreneurship activities provide positive outcomes to the society. The act of creating a business whilst going through the tertiary educational processes concurrently has become a widely accepted norm over the educational reform period. Although there has been immense exploration into entrepreneurship as a field itself, few have concentrated on student business start-up prospects, its accompanying factors and their underlying challenges in the developing world. According to (Verheul, Wennekers, Audretsch, & Thurik, 2001), it is far from enough to identify the factors of influenced entrepreneurship from a single perspective. It should be identified from several aspects, and provide a unified framework for understanding and analyzing what factors may influence business start-ups. However, researchers always only consider a single factor of influence for entrepreneurship activities especially those undertaken by tertiary students. And in large parts, these studies are concentrated in business environmental factors such as entrepreneurship education, government policies and financial issues. Few researchers consider equally important internal factors such as the entrepreneur’s capabilities, propensities among others, and make efforts to combine external factors and internal factors simultaneously to form a theoretical framework to study Ghanaian tertiary entrepreneurship activities. One of the most salient dimensions of entrepreneurship is risk and uncertainty and entrepreneurs assume business risk in the most uncertain environments. Their income, wealth, satisfaction and social status are dependent on the outcomes of their decisions in uncertain situations. On top of that, most

students' entrepreneurs invest in business portfolios that are undiversified. (Mosktowitz & Vising Jorgensen, 2002), In addition, Entrepreneurship is associated with risk bearing, uncertainty, gains and losses according to classical economists.

The remaining sections are organized as follows. The review of related literature presenting a conceptual framework and reflecting on previous research is found in Section 2, Section 3 contains the methodology of the study. In Section 4, the study's findings are provided. The study concludes with policy implications and recommendation, and a final section to discuss limitations and future research in Section 5.

2. Literature Review

2.1 History of Entrepreneurship

The first entrepreneurs can be traced back to 20,000 years ago. The first known trading between humans took place in New Guinea around 17,000 BCE, where locals would exchange obsidian (a volcanic glass prized for its use in hunting tools) for other needed goods like tools, skin and food. This early type of entrepreneurship continued for a millennia. Hunter-gatherer tribes would trade goods from different parts of their respective regions to provide an overall benefit for their tribe. The word entrepreneur is an English word that has been loaned from the 18th century French loan word was *Entreprendre*, which means in old French to undertake and was mainly in French to describe a manager or promoter of a theatrical production. In the early part of the 18th century an Irishman living in France, Richard Cantillon, first used the word "Entrepreneur" in his book published in 1755 "Essai sur la Nature du Commerce au General (Essay on the nature of commerce). In this book, Richard uses the word "Entrepreneur" and applies it to anyone who

bought or made a product at a certain cost to sell at uncertain price. It was Cantillon who established the entrepreneur as a risk taker.

Challenges of Student Entrepreneurship:

2.2 The Economic Impact

When Marco Polo established trade routes to the Far East, he demonstrated the risk-taking behaviour we associate with entrepreneurship today (Osborne, 1995). According to Osborne, the ‘fit’ this explorer (Marco Polo) found between his skills and the environmental opportunity is a perfect illustration of entrepreneurial strategy, and in particular it is relevant to understanding the economical aspect of entrepreneurship, with its increasing global scope. Like Marco Polo, the economic impact of student entrepreneurship basically focuses on finding the “fit” between production, distribution and consumption of goods and services. The entire viability of the business venture rests on how the production of goods and services are structured such that no losses are incurred in the distribution and consumption process. Finding the exact fit comes with a risk factor which is evident in any commercial venture. It is a well-known fact that key decisions made by entrepreneurs are made in the face of relatively severe forms of uncertainty.

2.3 The social impact

Socially, the concept of entrepreneurship itself may not be native to every culture or society. Therefore, the fear of failure can be a barrier in itself. In the beginning of any venture, it is easy to get discouraged when things do not go as initially planned or if business growth is not being made as quickly as one anticipated.

Ghana's social systems have the tendency of creating a sense of dependency and desperation. The mind-set that entrepreneurship is an art rather than a science is a big problem confronting many entrepreneurs. Creativity alone is not sufficient in developing new ways of doing things. It is an undeniable fact that the university community is a subset of the entire country and so is subject to the social restrictions that come with culture.

2.4. Academic Impact

Being an entrepreneur is a time-intensive job, bordering on a life-consuming obsession. Most young entrepreneurs are working on their innovations on top of finishing school, so it is no surprise that balancing the two is a great challenge. However, a rigorous course load makes them struggle to find time to work on their inventions. Complementarily, university level structures for commercialization of research and business opportunities are defined as potential drivers of student entrepreneurship.

3. The Methodology and Data Source.

3.1. Methods

The descriptive survey was used because it has the advantage of producing good responses from wide range of people. It will clarify people's opinion and behaviour on the basis of data at a particular time. It can be used with greater confidence with regard to particular time or questions of special interest or value to the research. Also, in-depth follow up questions can be asked and items that are unclear can be explained using the descriptive design (Fraenkel & Wallen , 2000) However, descriptive survey also has some weaknesses such as low response rates and nonresponsive bias. Responses to questions can also be difficult to analyze or summarize. Also the quality of a descriptive survey depends on the accuracy and truthfulness of the participants. It

is certainly possible that at least some participants will distort or conceal information, or simply have no knowledge about the topic when they answer certain questions (Frederick & Lori-Ann, 2006). A Descriptive study is a study that includes surveys and fact finding enquiries of different kinds. The major purpose is description of the state of affairs as it exists at present. Research design on the other hand, refers to the overall strategy that one will choose to integrate the different component of the study in a coherent and logical manner.

3.2. Data Source

The current study collected primary data from the target group by administering a series of questionnaires. The investigation began with the distribution of questionnaires to a variety of students. A questionnaire, according to Cohen and Manion (1989), is a self-report tool used to acquire information about variables of interest to a research. Closed-ended questions were created for the purpose of this study to elicit replies that reduce the subject of inquiry by allowing respondents to choose from a set of options.

4. Results and Discussions

4.1 Response Rate

A total of 150 questionnaires were issued for the study, and 150 people filled them out and returned them, resulting in a 100% response rate. The researcher spoke to each class of students, explaining the nature of the study and asking them to complete the questionnaire. This is a dependable response rate for data analysis. When it comes to response rate reliability, 50 percent is acceptable, 60 percent is good, and 70 percent and beyond is exceptional. (Mugenda & Mugenda, 2003)

4.2 Distribution by gender

The respondents were asked to indicate their gender. Table 1 shows the gender distribution among the student sampled.

Table 1: Distribution by gender

Gender

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Male	67	44.7	44.7	44.7
Valid Female	83	55.3	55.3	100.0
Total	150	100.0	100.0	

Source: Field Survey, Brobbey 2021

A total of 150 respondents took part in the study of which the distribution showed that 67 (44.7%) of the respondents were males while 83 (55.3%) of the respondents were females an indication that the majority of the respondents were females.

Table 2: Degree level of the respondents

Bachelor Degree_Level

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Level 100	18	12.0	12.0	12.0
Valid Level 200	28	18.7	18.7	30.7
Level 300	74	49.3	49.3	80.0

Level 400	30	20.0	20.0	100.0
Total	150	100.0	100.0	

Field Survey, Brobbey 2021

From table 2, 18 (12%) of the respondents were freshmen thus level 100 students, 28 (18.7%) of the respondents were level 200 students, 74 (49.3%) of the respondents were level 300 students and 30 (20%) of the remaining respondents were from level 400. This could be an indication that student entrepreneurship is gaining popularity in the University of Cape Coast in recent years.

4.3 The academic challenges or impact of student entrepreneurship

In order to achieve the research objective one, the study obtained relevant information on the academic impact of student entrepreneurship at the University of Cape Coast by using a five likert scale to ask key questions on whether a) engaging in student entrepreneurship negatively affect study time b) engaging in student entrepreneurship shift students primary focus of being in school c) students are able to combine the stress of being an entrepreneur and a student and d) engaging in student entrepreneurship gives chance to study with mates.

Table 3: Academic impact of student entrepreneurship

Descriptive Statistics

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>
Engaging in student entrepreneurship will negatively affect my study time	150	2	5	3.50
Engaging in student entrepreneurship will shift my primary focus of being in school	150	1	5	3.47

I can't combine the stress of being an entrepreneur and a student	150	1	5	2.98
Engaging in student entrepreneurship will not give me chance to study with my mates.	150	3	5	4.39
Valid N (listwise)	150			

Field Survey, Brobbey 2021

From table 3, the mean values of the respondents of academic impact of student entrepreneurship ranged from 2.98 to 4.39. The respondents agreed that engaging in student entrepreneurship will negatively affect their study time representing a mean value of 3.50. Respondents also agreed that engaging in student entrepreneurship will shift their primary focus of being in school representing a mean of 3.47. However, respondents were impartial about not being able to combine the stress of being an entrepreneur and a student which represented a mean of 2.98. Finally, respondents strongly agreed that engaging in student entrepreneurship will not give them the chance of to study with their group mates. This represented a mean of 4.39. These findings suggest that engaging in student entrepreneurship have an impact on academics. The mean values measures the averages of the responses.

Likert Scale: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

Traditional response category: SD= Strongly Disagree (1.0 or less); D= Disagree (1.01 – 2.0);

N= Neutral (2.01 – 3.0); A= Agree (3.01 – 4.0); SA= Strongly Agree (4.01 or above)

4.4 The Economic impact of student entrepreneurship

In other to achieve the research objective two, the study obtained relevant information on the economic impact of student entrepreneurship at the University of Cape Coast by using a five likert scale to ask key questions on whether a) being a student entrepreneur will make gaining access to loan easy b) engaging in student entrepreneurship is likely to put me in debt c) engaging in student entrepreneurship is going to help me have money to take care of myself d) being a student entrepreneur will help me to be economically independent.

Table 4: Economic impact of student entrepreneurship

Descriptive Statistics

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>
Being a student entrepreneur will make gaining access to loan easy	150	1	5	3.46
Engaging in entrepreneurship is likely to put me in debt	150	1	5	3.73
Engaging in entrepreneurship is going to help me have money to take care of myself	150	2	5	4.31
Being a student entrepreneur will help me to be economically independent.	150	2	5	4.31
Valid N (listwise)	150			

Field Survey, Brobbey 2021

From table 4, the mean values of the respondents of economic impact of student entrepreneurship ranged from 3.46 to 4.31. The respondents agreed that being a student entrepreneur will make gaining access to loan easy. This represents a mean value of 3.46. Respondents also agreed that engaging in student entrepreneurship is likely to put them in debt

representing a mean of 3.73. Respondents strongly agreed that engaging in student entrepreneurship is going to help them have money to take care of themselves. This is represented by a mean of 4.31. Finally, respondents also strongly agreed that engaging in student entrepreneurship will help them to be economically independent. This represented a mean of 4.31. These findings suggest that engaging in student entrepreneurship have an impact on economic variables. The mean values measures the averages of the responses.

Likert Scale: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

Traditional response category: SD= Strongly Disagree (1.0 or less); D= Disagree (1.01 – 2.0); N= Neutral (2.01 – 3.0); A= Agree (3.01 – 4.0); SA= Strongly Agree (4.01 or above)

4.5 The social challenges or impact of student entrepreneurship

In other to achieve the research objective three, the study obtained relevant information on the social impact of student entrepreneurship at the University of Cape Coast by using a five likert scale to ask key questions on whether a) engaging in student entrepreneurship will help me talk to non-students b) engaging in student entrepreneurship will help me meet people from other background c) engaging in student entrepreneurship will help me to improve my social networking d) engaging in student entrepreneurship will help me to relate with others.

Table 5: Social impact of student entrepreneurship

Descriptive Statistics

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>
Engaging in student entrepreneurship will help me talk to non-students	150	2	5	3.89
Engaging in student entrepreneurship will help me meet people from other background	150	1	5	4.15

Engaging in student entrepreneurship will help me to improve my social networking	150	2	5	4.22
Engaging in student entrepreneurship will help me to relate with others.	150	2	5	4.05
Valid N (listwise)	150			

Field Survey, Brobbey 2021

From table 5, the mean values of the respondents of social impact of student entrepreneurship ranged from 3.89 to 4.22. The respondents agreed that engaging in student entrepreneurship will help them talk to non-students. This represents a mean value of 3.89. Respondents strongly agreed that engaging in student entrepreneurship will help them meet people from other background representing a mean of 4.15. Moreover, respondents also strongly agreed that engaging in student entrepreneurship will help to improve social networking. This is represented by a mean of 4.22. Finally, respondents strongly agreed that engaging in student entrepreneurship will help them to relate well with others. This represented a mean of 4.05. These findings suggest that engaging in student entrepreneurship have an impact on social variables. The mean values measures the averages of the responses.

Likert Scale: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

Traditional response category: SD= Strongly Disagree (1.0 or less); D= Disagree (1.01 – 2.0); N= Neutral (2.01 – 3.0); A= Agree (3.01 – 4.0); SA= Strongly Agree (4.01 or above)

4.6. Prospects of student entrepreneurship

This study needed to obtain information with regards the prospects of student entrepreneurship in the University of Cape Coast. A relevant number of questions were asked in other to extract such

vital information from the respondents. TABLE 8 presents the results from the responses of the respondents.

Table 6: Prospects of student entrepreneurship

Descriptive Statistics

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>
Student entrepreneurship will help me to gain employment	150	1	5	4.00
Student entrepreneurship will help me to establish my own business.	150	2	5	4.11
Student entrepreneurship will help me to go into partnership ventures	150	1	5	2.98
Valid N (listwise)	150			

Field Survey, Brobbey 2021

From table 6, the mean values ranged from 2.98 to 4.11. This indicated that respondents strongly agreed that student entrepreneurship will help them to gain employment; Respondents strongly agreed that student entrepreneurship will help them to establish their own business; however, respondents were impartial or neutral about student entrepreneurship helping them to go into partnership ventures. We can attest to the fact from table 6, that student entrepreneurship help student to establish their own business and also to gain employment.

Likert Scale: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

Traditional response category: SD= Strongly Disagree (1.0 or less); D= Disagree (1.01 – 2.0); N= Neutral (2.01 – 3.0); A= Agree (3.01 – 4.0); SA= Strongly Agree (4.01 or above)

5. Conclusions and Recommendations.

5.1. Conclusions

Students may or may not engage in student entrepreneurship, according to the study's findings, depending on the perceived rewards and hazards associated with the phenomena. Nonetheless, it has been demonstrated time and time again that allowing students to engage in entrepreneurial activities has more positive than negative consequences because it boosts their confidence, gives them a sense of direction, reduces the burden on the labor market when it comes to graduate unemployment, allows them to become economically self-sufficient, gives them a positive outlook on life, and may help the country's economy. Certain issues are particularly important to these children since they have a direct impact on their lives. Academic, economic, social, and venture-specific issues are all taken into consideration. According to our findings, students often regard entrepreneurship as having a detrimental impact on their academics, but they also believe that there are significant economic, social, and career rewards. As a result, while most students perceive entrepreneurship to be a worthwhile notion to engage in while on school, the biggest barrier that hinders them from doing so is the concern that it will negatively impact their academics.

5.2. Recommendations

1. Entrepreneurship should not be regarded as a topic reserved for a select few. The University of Cape Coast has recently made a laudable effort in this direction by establishing an entrepreneurship course. The intensity, on the other hand, is a concern. Entrepreneurship as a

course should not be considered as just another stepping stone on the way to obtaining a degree, but rather as an underlying aspect in any program of study. Students' financial awareness in the production of corporate financial planning should be cultivated, and their degree of inventiveness and competitive aggressiveness should be nurtured, particularly among non-business students.

2. Because of the advancement of new technology, there are numerous ways to engage in business that do not require much physical presence. These are ideal circumstances for student entrepreneurs. They should be encouraged and instructed on how to use these technologies so that their academic work is not harmed. Furthermore, knowing about these platforms would increase the number of students ready to participate in student entrepreneurship.

3. As an educational institution, the University of Cape Coast can collaborate with financial institutions to foster entrepreneurial activities among its students. According to our research, the majority of students believe that entrepreneurship offers favorable opportunities. If there are effective and widely accessible support mechanisms, these opportunities could be greatly expanded.

4. Students should be better informed about the many financial aid programs offered by government and non-governmental organizations.

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