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RESEARCH ARTICLE

Role of Undergraduate Level Entrepreneurship Education in Self-employment Generation and Job Creation with Reference to BHM (Bachelor of Hotel Management) Courses in Coastal Karnataka

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Abstract

The objective of study is to discover the level to which entrepreneurship education learned by BHM graduates had been helpful to them in entrepreneurship development. Questionnaire method is applied to gather data from 454 BHM graduates of universities of coastal Karnataka by the use of snowball sampling techniques and six entrepreneurship teachers were carefully chosen for collecting information. The research work revealed that 6 per cent of the graduates were running their individual businesses. The reasons for the low level of entrepreneurship activity on the part of the graduates are their incapability to have initial capital, nonappearance of entrepreneurship spirit and the isolated type of entrepreneurship education learned at the BHM institutes. The importance of this research work is that there is a need for educationalists to appraise the entrepreneurship curriculum to make it subject oriented or specific.

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INTRODUCTION

Entrepreneurship is the current requirement for self-employment generation and job creation for the economic development of the country. Unemployment is major problem in developing countries. Entrepreneurship training can significantly help in addressing the level of dearth in the country. The problem of poverty abolition has been a topmost main concern of several governments and organizations, particularly in developing nations where dangerous poverty is visible and has turned out to be epidemic. The number of graduates who have completed BHM are increasing every year. Along with this the people who have just completed 10th standard or 12th standard or failed due to poor performance or no access to higher education due to financial problems are added as unemployed. This can be solved by strengthening entrepreneurship education at the school levels and higher education levels to make them strong in establishing their own enterprises. Entrepreneurship teaching programme can train students with business skills that will empower them make and develop enterprises in numerous areas. The stress here is that the programmes have a way of fluctuating the emphasis of students from paid service to self-employment. In Coastal Karnataka, the hotel industry is run by small scale hotel owners who are creating job opportunities and business development. This shows the significance of hotel industry. They are running with own experience and their own skill without entrepreneurship education. There is a need for entrepreneurship education at school or college levels in the present days as there is competition and unemployment problem.

Research Objective

Specifically no research activities were undertaken in coastal Karnataka on the said topic. In general, in India and other countries, only few research work have been carried out on the consequences of entrepreneurial education obtained by BHM graduates. The two objectives behind this study are:

1. To assess the strategies adopted by universities of coastal Karnataka for entrepreneurship learning.

2. To measure the effectiveness of entrepreneurship education received by some BHM students in terms of rate of enterprise developments.

Significance of study

The significance of this paper is to create the awareness among the students and the educational institutions and policy makers' regarding the significance of entrepreneurship education and the responsibility of creating an entrepreneurial mindset and self-employment as an opportunity for avoiding unemployment problem which leads to economic development.

Review of literature on Entrepreneurship education and its impact on enterprise establishment and job creation

Solomon, G.T., Fernald, Jr. L. & Weaver, L. ¹ (1993) in their study "Trends in small business management and entrepreneurship in the United States" has studied that since the late 1960s in the U.S., the number of universities and colleges with entrepreneurship programmes has augmented melodramatically. Many schools provide entrepreneurship connected courses as a significant part of their programmes.

Kourilsky, Marilyn L., ² (1995) in his study "Entrepreneurship Education: Opportunity in Search of Curriculum" has concluded that Entrepreneurship education originates its significance from three aspects: entrepreneurship information requirement among students ; a necessity to provide students with know-how related to creating jobs; and a linked need for economic development through job formation. As per a 1994 national Gallup poll, 7 out of 10 high school pupils obligatory to start their own business, but maximum exhibited extraordinarily slight understanding of entrepreneurship.

Bwisa, H. (2004) ³ in his study "Entrepreneurship education in Kenya: a reality of plodding on" has identified that in some emerging nations in Africa, numerous educational and training programmes have been bowled out to empower graduates obtain entrepreneurial abilities and be able to make their individual jobs after qualification. These courses have on many times, produced no optimistic outcomes.

Bwisa, H. ⁴ (2004), in his study "Entrepreneurship education in Kenya has identified that In Ghana, entrepreneurship is not educated at the pre-tertiary flat. Though elementary schooling can be fatal for students who are incapable to carry on their education at the tertiary level, such graduates are not given any entrepreneurship education. Though most of these areas could be observed as significant for entrepreneurship, it fell little in making students to start their own businesses after graduating from college. This deficiency of entrepreneurship teaching for elementary education graduates bounds their capabilities to start and manage their own businesses later.

Raichaudhuri, A. ⁵ (2005) in his study "Issues in Entrepreneurship Education. Decision" has concluded that although the predisposition to pursue entrepreneurship is moderately solid in India, the educational backing for its growth is still a far away from the agenda.

The outcomes of study made by Sang M. Lee ⁶ (2005) on "Impact of Entrepreneurship Education: A Comparative Study of the U.S. and Korea" display that Although the level of "knowledge and ability of venture creation" of Korean students was still lower than that of American students even after taking the course, it became much higher after entrepreneurial education. American students who took the course did not show any significant improvement in terms of "recognition of the importance of entrepreneurship education," but Korean students who took the class showed a significant improvement. Based on the result of this study, the author concluded that the impact of entrepreneurship education in Korea is much greater than that in the U.S. This result strongly suggests that the impact of entrepreneurship education in countries where entrepreneurship oriented culture is poor or still in the embryonic stage of development will be greater than that in countries with a strong entrepreneurship-oriented culture.

Matlay, H. ⁷ (2008), in his study "The impact of entrepreneurship education on entrepreneurial outcomes" had stated that graduate requirements for entrepreneurship teaching do not always match real results in terms of entrepreneurial abilities, knowledge and attitudes acquired.

Akyeampong, K. ⁸ (2008), in his study "Educational Expansion and Access in Ghana" had identified that in Ghana, various educational transformations have been applied which have laid stress on the teaching of professional and technical subjects for students in the junior secondary schools . The chief aim for one of such reforms undertaken in 1987, was to enable JSS students acquire employable talents to make them employed or start their own jobs after graduation, if they unable to continue their schooling more. However, this was not successful as formal schools are known generally to be ineffective in changing attitudes towards employment and self-employment especially towards vocational and technical education. The educational reform programme intended to enable technical and vocational students start their own jobs after graduation, failed due to the absence of entrepreneurship education on the curriculum. This deficiency places entrepreneurship education at the base of any educational programme

intended to make graduates job creators after graduation, which is a major aim for implementing polytechnic education in Ghana.

Allan Gibb⁹(2008) in his paper “Entrepreneurship and Enterprise Education in Schools and Colleges: Insights from UK Practice” practically evaluated development in the arena of Schools and Colleges Enterprise and Entrepreneurship Education in the UK since the 1980s. He utilises a considerable amount of empirical information grounded mostly upon the work of the Enterprise Education Unit at the Durham University Business School from 1985 through to the early ages of this era. He observed certain important matters challenged from this experience which still seem to be extremely relevant comprising the academic challenges linked to this, teacher skills and ownership related to embedding enterprise in the curriculum and probable procedures of valuation and methods of assessment.

Thomas Wing Yan MAN and Christina Wai Mui YU¹⁰(2009) in his study “Social Interaction and Students’ Perception of Entrepreneurship in the Context of Authentic Enterprise Exposures” suggested that in investigating entrepreneurship teaching, extra care needs to be given to discovering the educational background and processes involved. Using a pre- and post-test method, statistics were composed from high school students who had taken part in an entrepreneurship teaching movement in Hong Kong which emphasised contact to authentic enterprise by means of generating a business idea, writing up a business plan, interacting with various business stakeholders and engaging in real trading. The findings advised that a true entrepreneurship education movement should give pupils the chance to understand the authenticity of entrepreneurship, mainly the problems they are possibly to face.

Dr. Uday Kumar M.A¹¹(2010), in his study “Entrepreneurship, Education and Creativity –Reflection from an Indian Perspective” had recognized that there are glitches with the contents of the course on entrepreneurship and the way the ideas are presented to students. Maximum contents are extremely theoretical and there is absence of practical exposure. It is practically like offering course in swaying without taking one to sea. Entrepreneurship course in the college system is educated by the faculty, who was unsuccessful to create an actual influence on the students to be entrepreneurs.

Manimala, M., and Bhati, A.¹² (2011), identified that Indian educational curriculums on social entrepreneurship are around ten years old. In the previous few years there has been a substantial development in the number of social enterprises in India.

Intellect¹³(2012) had traced that social enterprises established within the last decade or so face some crucial issues showed that social enterprises are unable to recruit talented/skilled professionals as employees.

Mansheng Zhou and Haixia Xu¹⁴(2012), in their study “Review of Entrepreneurship Education for College Students in China” made an attempt to examine entrepreneurship education as an advanced clarification to the challenges facing higher education in China. The paper first presents the background for encouraging entrepreneurship schooling in China, examines the entrepreneurship education programs and events in three carefully chosen universities, measures the state of entrepreneurship education both from a student viewpoint and also through a contrast with growths in the United States, and completes with suggestions for additional growths in entrepreneurship education in China’s colleges and universities. In general, China’s entrepreneurship education is still in the initial phase, and China pauses behind the average standard of Global Entrepreneurship Monitor (GEM) in entrepreneurship learning.

Arthur¹⁵(2012) identified in the study that the efficiency of entrepreneurship education is mainly determined by the type and design of such education, as defined by the materials and styles of providing the programs.

Shankar, R.¹⁶(2012) in his book “Entrepreneurship: Theory and Practice. India” explained that entrepreneurship still has a long way to go in terms of receiving the position of a preferred course among management students in India. Perhaps, this status acts as aim sufficient to only offer entrepreneurship as an extra-curricular or co-curricular program in the majority of the colleges and universities in India.

Rituparna Basu¹⁷(2014) explained that in developing economies such as India, there is a crucial call for the growth and promotion of operative original entrepreneurship education systems. Though entrepreneurship is a practice-driven topic, the necessity to complement it with modern academic information is of supreme importance. Besides, the synergies of entrepreneurship as a field of study with other important business management courses, such as marketing, require an outline for emerging entrepreneurship as an essential course for students of business management to guarantee a combined learning stage. An outline for constructing this operative entrepreneurship education bionetwork is assuredly the necessity of the hour and it needs a greater focus on knowledge formation to sustainance the framework.

Research Design

Following investigation questions were framed to attain the specified purposes of the study.

1. How much percentage of the graduates were in employment?
2. How much percentage of the graduates were running their own businesses?

3. What were the various problems faced by graduate entrepreneurs in coastal Karnataka to create their own enterprises?

4. Whether the entrepreneurship education has imparted benefits to BHM graduates?

Sampling process

1080 past students consisted in the population of the study who had graduated between 2007 and 2012, from the BHM students of universities of coastal Karnataka. The population composed of 722 males and 358 females. Sample size of 454 (about 42 per cent) could be considered adequate for the research study. Organized questionnaires were given to 42 per cent (454) past students. Most of the questionnaires were administered personally, while some of them were sent through the post or by e-mail. 400 questionnaires were recovered from the past students and used for the study. The reaction rate was 100 per cent, which was reflected very well. Furthermore, statistics from 15 teachers from the departments were used for the study, composed of 10 full time and five part time.

Application of research techniques

Quantitative and qualitative research techniques were used for the research work structured, 22 item questionnaire were used in the quantitative method for the collection of data. Some past students as well as some teachers of the department were selected at random and interviewed under the qualitative method.

Following were the elements on the questionnaire:

1. To what extent did the BHM course helped you to be employed due to entrepreneurship education as single course or offered as a core or elective course?

2. In which way the entrepreneurship education received had helped you to start your own enterprise if you are self-employed?

Besides a modest questionnaire was prepared and given to the teachers in the university colleges or departments, which were all returned. Inner steadiness and cogency planned for the tools by the use of SPSS for the graduates and teachers, individually.

Methods of data collection

Because of the inaccessibility of a dependable database of the earlier students, Snowball sampling technique was used to administer the questionnaires through mail or personally to 454 (42 per cent of population) of the graduates. The email address of those students who were not available are collected from some available students. Ultimately successful in collecting data from 400 students. In order to interview 24 of the graduates and collect data, an interview schedule was prepared.

Questions were also asked to teachers concerning the teaching methods they followed. 60% of the graduates were met personally to collect information and remained 40% were interviewed through telephone. Telephonic interview was saved and later used for analysis.

Data analysis with Pilot study

Before starting the actual study, a pilot study was led with twenty graduates as well as four teachers. The questionnaire was revised after the pilot study based upon modifications required and administered for actual study.

Data Analysis and interpretation

In order to make easy comparison, the graduates were grouped under their various years of graduation. The socio-demographic physiognomies provided include their gender, ages at graduation, present qualifications and current employment status of the graduates. The respondents are in the age group of 22 to 34, with an average age of 28.5 years and a median age of 29 years. 29 years is used as the dividing year for the analysis of data.

It was identified that 301 (76 per cent) respondents of the 400 respondents, were in a job, whereas 75 (19 per cent) were without a job and 24 (6%) were self-employed. The batch of 2007, 2008, 2009 and the 2010 had the smallest amount of the jobless graduates, whereas the next two graduating year groups of 2011 and 2012 had additional idle graduates. This is comprehensible as 2007, 2008, 2009 and the 2010 class had consumed a comparatively a lesser amount of time after qualification to get jobs that might have pleased them. Certain of the working former students specified that they were provisionally in a job.

It was observed that 81 per cent of the graduates were working in the private sector and the remaining were in the public sector. Out of the graduates, only 6 percent (out of 400) were self-employed.

The comparatively little amount of the graduates who were entrepreneurs was not astonishing, for the reason that, a 2011 Gallup study of 20 economic entities in Asia presented that India graded in the lowest quartile on numerous significant pointers of a well-functioning entrepreneurial bionetwork.

One reason that was adduced for this low percentage of entrepreneurs in developing countries is the inability of graduates to identify problems that could create opportunities for entrepreneurship development. Entrepreneurship starts with the identification of a problem, which leads to a business opportunity, for which a job could be created.

A major problem identified by 325 (82 per cent i.e. employed and unemployed) of the respondents involved in the study, was the inability of the graduates to start and develop their own businesses on account of absence of entrepreneurial initiative, idea generation and hazard captivating. Few students stated that they were talented in drafting good business plans that can be used to get advances from any monetary institution. But, the same graduated students were incapable to present these strategies for financing owing to absence of the entrepreneurial spirit desired for risk captivating. There is a need for delivery of encouraging speeches and examples of success stories of successful entrepreneurs from experienced entrepreneurs, so that positive entrepreneurship could be developed with the students for establishing enterprises. Majority of graduates (86 per cent) were facing difficulties of having start-up capital.

Additional difficulties confronted by the graduates regarding the formation of their individual businesses comprised lack of entrepreneurial spirit, high interest rates on loans borrowed, difficulties with land acquirement, and not knowing the right business to engage in. As per few graduates (42 per cent) the entrepreneurial teaching they received was so universal that it was unconnected to hotel management and so did not help them. Few teachers have opined that number of self-employment in hotel business can be increased only when the government financially helps the graduates and specific training can be given for the same field. One of the teachers said that it is better to have one more year in the course especially for training specifically for establishment of enterprises.

The succeeding are representative examples of the graduates' remarks from the meetings conducted about difficulties with entrepreneurship education they received:

"There is a need for teaching entrepreneurship education in all the three years".

"Teaching of entrepreneurship education must be in connection with hotel management".

"From the basic school level, there is a need for having entrepreneurship education".

"It is better to have entrepreneurship teaching by entrepreneurs".

"BHM students should be guided by experienced entrepreneurs".

Findings

The succeeding results arose from the study. The analysis of the study exposed that joblessness is a main problem distressing not only the inexpert youth in the nation, but also graduates, as about 19 per cent of the BHM graduates were unemployed. This sounds for the application of practical policies by the government to enlarge the economy in order to generate additional jobs for the youth.

Another finding was only a few graduates enter self-employment after long period after graduation, even though they had got entrepreneurship teaching at the graduation level. This is on account of several problems faced by prospective graduate entrepreneurs. Maximum of them so, favored service in public and private sectors.

The research work also recognized the succeeding difficulties hindering entrepreneurship development among BHM students. Absence of entrepreneurial initiative among the graduates, incapability to get money for starting enterprises, land acquirement difficulties, heavy interest rates on advances charged by the financial institutions, unrelated entrepreneurship education that was to the BHM and curriculum, the small period of the entrepreneurship course at the graduation level are specific problems.

Furthermore, entrepreneurship is not a primary programme on the syllabus of the BHM institutes. It is just kept as one subject in second year or third year degree. Lastly, the research exposed that the entrepreneurship education that the graduates learned at the BHM degree had not been helpful to them, since the little proportion of graduates who adopt to be businesspersons.

Scope for further research due to limitations of study

All graduates were not considered to know whether the course entrepreneurship that graduates had learned helped them to start their own businesses. Respondents who had completed graduation between 2007 and 2012 were only selected. A chief restraint with this study, which used the snowball sampling technique, is sampling bias. To decrease this problematic however, efforts were made to happen that initial choice of the graduates was representative of all the various year clusters of the alumni. To a great degree, this aided to avoid under coverage. A higher sample size in upcoming research could also look out of non-response bias, related with such a study.

Suggestions

Grounded on the results of this study, the subsequent suggestions are provided:

Entrepreneurship should be educated before graduation in earlier high school and pre university level studies. Because of this, awareness of entrepreneurship and its significance for national economic development will be created in students at a previous stage in their education. Besides BHM institutes offering hotel management education and training should inspire the generation and development of new thoughts. On account of this before their studies, students are getting the idea of starting and running their enterprises. Besides the assistance of incubators must be provided for easy startup guidelines. It is better to provide incentives for faculty members to

undertake investigation in entrepreneurship education. There is a need for assessing the special effects of entrepreneurship education and show its legality on colleges

Conclusion

This research paper has tinted the significance of entrepreneurship education for self-employment opportunities for the growth of the private sector and to help accelerate the country's economic growth. It delivered awareness regarding problems constraining entrepreneurship development among BHM graduates. It is pertinent that there is a need for making some new policies for the incorporation of entrepreneurship education at the high school, pre-university and degree level. Need to train more entrepreneurship teachers to make them to teach the courses professionally and trained entrepreneurship teachers with some industrial experience is obvious. This will enable the students to start their own enterprises with courage and exposure. Moreover, seed capital for the establishment of new enterprises to the graduates should be provided by financial institutions formed by the government. The paper brings to the notice of education policy makers to discover the ways of familiarizing students to entrepreneurship education at the elementary level in order to grow the entrepreneurship essence in them at an early age. It is expected that this could aid more graduates to be able to generate self-enterprises for expanding the private sector, which is reflected as the appliance of progress of the Indian economy.

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