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Care When You Dare: A Selective Study

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Abstract: An Entrepreneur is always search for a change and exploits it an opportunity.

Entrepreneur is a person who produces innovative products to satisfy the needs, wants & desires of target market. Industrial development in any country depends on the type of human resources the country possesses and more particularly on entrepreneurs. The main aim of entrepreneur is to promote setting of small scale industries and through them contribute production and employment in the country. So that the country's economy will get boost. This paper recognizes a significant business model that shows the required factors to start a business. A survey is conducted in prakasam dt, Andra Pradesh. After testing normality by Shapiro Test, One Sample T-Test, and Anova are used for analyzing the effect of gender, age and education qualification respectively and Factor Analysis is applied to derive the factors in order to start business and Discriminate Analysis to design the business model on the opinion of the decision will be taken after analyzing all alternatives.

Key Words: Entrepreneur, Shapiro Test, One Sample T-Test, Anova, Factor Analysis, Discriminate Analysis.

1. Introduction

“Entrepreneurship is Perceptiveness to change”-Peter Ducker.

The word “entrepreneur” is the French word “entreprendre,” which means “to undertake.” The Merriam Webster Dictionary defines an entrepreneur as one who organizes, manages, and assumes the risks of a business or enterprise.

The Oxford English Dictionary defines opportunity as “a time, juncture, or condition of things favorable to an end or purpose, or admitting of something being done or affected.” As is clear from this definition, at the minimum, an opportunity involves an end or purpose, and things favorable to the achievement of it. An entrepreneurial opportunity makes an entrepreneur to create future economic artifacts. Entrepreneurial opportunities are extremely context specific. This means that entrepreneurial opportunities do not necessarily lie around us and waiting to be discovered by the entrepreneur who will keep on researching and finding the market challenges & opportunities the ideas are found by those entrepreneurial geniuses.

A market entry strategy is a good planned method of delivering & distributing goods or services to a new target market. The genius entrepreneur can create a need of his product in the target market. He delivers the product by creating a need.

The importing or exporting services refers to establishing and managing the contracts in a foreign country. Making the ‘right’ entry decisions heavily impacts the company’s performance in global market. An Entrepreneur can create an economic development in the country.

2. A Theoretical Lense – The Literature Review

The section covers the Definitions of Entrepreneur, What Makes Someone an Entrepreneur and Why Become an Entrepreneur, Choosing a Form of Business, Creating Business Plan different qualities exhibited by previous literatures.

2.1 Definition

The following are the different definitions provided by different authors.

- Entrepreneurship is an individual’s occupational choice. (Gartner, 1989 and Reynolds et al., 2005)
- The person who is willing to bear the risk of a new venture if there is a significant chance for profit growth through their effort of creation they are going to satisfy needs, wants of the customer (Hébert and Link, 1988).
- Schumpeter defined Entrepreneurs as “the one who exploit through their technical or organizational innovation”(Eroglu & Picak, 2011)

2.2 What Makes Someone an Entrepreneur

There is no significant definitive profile. The Successful entrepreneurs come from different demographics like, age, income, gender, education and experience. But successful entrepreneurs share some personal, professional attributes, like: creativity, dedication, determination, flexibility, leadership, passion, self-confidence, and “smarts. But the success of Entrepreneur is significantly low in India. Small firms tend to be more successful than large forms (10 / Journal of Marketing, May 2008).

2.3 Why Become an Entrepreneur

Some people are attracted to entrepreneurship by the advantages of starting a business. These include

- Entrepreneurs are their own bosses of their firm.
- Entrepreneurship provides good opportunity to achieve significant financial rewards
- It provides greater possibility to involve in the whole operations of the business
- Entrepreneurship creates an opportunity to make a contribution to serve the nation by satisfying needs, wants & demands. But most of new entrepreneurs help the local economy.

2.4 Choosing a Form of Business

Choosing the right entry mode is very important. It depends on organization's vision and economic power. It is the most critical stage for an organization. (Chen, and Messner, 2011: 2). The firm which is associated with customers, the media, business analysts, and employees it automatically associates with new market (Starbucks and coffee. 11 MAR 2016). By making small changes in the process of business internal & external the organization can help you how to retain the talented employees and how to attract the customers. (argues Julia B. Austin 12 OCT 2016 OP-ED). Successful combinations of creativity and technology can lead the commercialization of the idea, product or service. (Sternberg 2004; Ko and Butler 2006).

2.5 Creating a Business Plan

A business model can help the entrepreneur to facilitate all resources properly and handle the unexpected situations, problems and finally make him good business man. Social enterprises mobilize for bottom-up social change through empowerment processes. This extends the scope of activities beyond the boundaries of the enterprise (Santos, 2012 and Stephan et al., 2016). Entrepreneurial alertness, in its turn, is a necessary condition for the success of the opportunity identification triad: recognition, development, and evaluation (alexander, 2003).

3. Objectives

- To Explore The Factors Required In Starting Business.
- To Explore The Effect Of Demographic Variables on the Reasons Specified by the Respondents Before Starting a Business.

4. Research Methodology

4.1 Research Design

Initially the research is done using literature review method to reach the objectives of the study as well as to fulfill the objectives too. Further, Descriptive research is done using survey method at randomly selected business people in prakasam district.

4.2 Sampling Design

By observing 120 people, questionnaire is given to 87, and information collected from 56 people.

4.3 Data Collection

The primary data is collected through direct discussions with people by distributing questionnaire. The questionnaire had 28 questions and the respondents were asked to rate their response on a 5 point Likerts scale, 1 being the least and 5 being top for pilot study. 21 are given for final study. My population size is 175, I given the questioner to 120, 87 are responded 56 people are filled it completely. The Secondary data is collected through books, college websites, and journals. Effort has also been made to gather information from doctoral works on this area

4.4 Data Analysis

The data Analysis is done by using IBM SPSS. The following tests are used to analyze the data

- Individual Sample T-test
- Anova
- Factor Analysis
- Discriminate Analysis

4 Results

4.1.1.1.1.1 Normality Test:

Table 1: Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
out3	.104	56	.195	.959	56	.052

Lilliefors Significance Correction

p<0.05 Reject NH p>0.05 Accept NH

NH: Data is Normally Distributed

AH: Data is not Normally Distributed

According to **Shapiro-Wilk** the significant value is p is >0.05 so that NH is Accepted. So that data is normally distributed.

a. Effect of Gender on over all Factors in order to start a business

NH: There is no satisfactory significant difference showed by the respondents on over all factors in order to start a business

AH: There is a satisfactory significant difference showed by the respondents on over all factors in order to start a business

Independent -T test has been used to find out the effect of gender

P=0.308, It is greater than 0.05, So Reject Null Hypothesis

It is to be find that there is an effect of Gender on over all Factors in order to start a business

b. Effect of Age on over all Factors in order to start a business

The data have more than 2 categories then ANOVA Test is applied

NH: There is no significant effect on Age group of respondents on the acceptability Factors to be consider to start a business

AH: There is a significant effect on Age group of respondents on the acceptability factors to be considered to start a business

P<0.05 so Do not accept Null Hypothesis so go for Posthoc test

P=0.001<0.05 so Do not accept Hypothesis

So there is a significant effect on Age group of respondents on the acceptability Factors to be considered to start a business.

c. Effect of Education on over all Factors in order to start a business

The data have more than 2 categories then ANOVA Test is applied

NH: There is no significant effect on education group of respondents on the acceptability Factors to be consider to start a business

AH: There is a significant effect on Education group of respondents on the acceptability Factors to be considered to start a business

Table 2: Test of ANOVA

(I)	(J)	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
X	xii	-5.64000*	1.32971	.000	-8.9307	-2.3493
	degree	-6.75333	2.96606	.172	-16.3052	2.7985
Xii	x	5.64000*	1.32971	.000	2.3493	8.9307
	degree	-1.11333	2.93704	.977	-10.6959	8.4692
degree	x	6.75333	2.96606	.172	-2.7985	16.3052
	xii	1.11333	2.93704	.977	-8.4692	10.6959

p=0.001<0.05 so Reject NH, Accept AH. So there is significant difference in opinions of respondents whose education background is X & XII

a. Analysis for finding the Factors Required In Starting Business

The following are the significant Factors Required in Starting Business

- | | |
|---|---------------------------|
| 1. Market Growth | 2. Have a Vision |
| 3. Availability of Financial Resources | 4. Risk Less |
| 5. Availability of Raw Material | 6. People |
| 7. Know Your Customer | 8. Demand |
| 9. Place | 10. Logistics Feasibility |
| 11. Water, Electricity, Infra, Technology | 12. Challenge yourself |
| 13. Do you Care About | 14. Believe in yourself |
| 15. Well Known Business Process | |

To reduce the size of the variable in the scale Factor Analysis is used

Table 3 :Communalities

	Extraction
Market Growth	.823
Availability of Financial -Resources	.689
People	.593
Logistics Feasibility	.524
Risk Less	.671
Challenge _yourself	.716
Do you _Care _About	.782
Believe _in_ yourself	.735

Table 4: KMO and Bartlett's Test^a

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.582
Bartlett's Test of Sphericity	Approx. Chi-Square	284.881
	df	36
	Sig.	.000

Table shows that all the Communalities values are >0.5 So that the scale is valid.
Kaiser-Meyer-Olkin = 0.594 so that Factor Analysis is applied.

Bartlett's Test of Sphericity:

NH: Data is not in Identity Matrix

AH: Data is in Identity Matrix

P value <0.005 , so reject null hypothesis, So that Factor Analysis can be proceeded

The Correlation Matrix is identity matrix which helps in formulating factors

From the above it can be concluded that Factor Analysis can be applied on those 8 variables

After applying Factor Analysis it comes out with two factors Explaining 69.169% of variance

Table 5: Business Factors

Factor 1 Supporting Factors Of Business (SFB)	Factor 2 Challenging Factors Of Business (CFB)
People	Market Growth
Risk Less	Availability Of Financial Resources
Challenge yourself	Believe in yourself
Do you Care About	Logistics Feasibility

Table 6: Reliability Statistics

Cronbach's Alpha	N of Items
.795	8

Cronbach's Alpha >0.79 so the Scale is Reliable

To find the relationship between the factors Discriminate Analysis can be used.

Table 7 : Wilks' Lambda

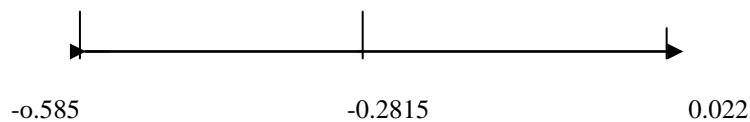
Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1	.987	.691	2	.708

P=0.708>0.5, so that the factors are not correlated to each other

$$Y = a + b(SFB) + b(CFB)$$

Table 8: Business model

<p>Discriminate Model</p> <p>Interested to start a business = -8.407 + 0.464(SFB) + 0.025(CFB)</p>
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In the above model the SFB factors are more affecting the result than the CFB factors. Because their % of contribution is significantly more. Respondents are giving strong agreement to words to SFB factors.

5. Findings

From the above analysis the following findings are found

1. There is an effect of gender on over all factors in order to start a business
2. There is a significant effect on age group of respondents on the acceptability factors to be considered to start a business
3. There is significant difference in opinions of respondents whose education back ground is X & XII
4. SFB factors are significantly affecting the business.

6. Suggestions

From this study the following suggestions are made

1. Entrepreneurship should be encouraged.
2. The following factors are most significant to start a business. They are People, Risk Less, Challenge yourself, Do you Care about Market Growth, Availability of Financial Resources, Believe in yourself.
3. Encouraging women entrepreneurship is more required.
4. Innovation is required in Production.
5. Should be ready to face the Challenging Factors of Business.

Future scope of research

The present paper is analyzed only 2 factors to start an Enterprise .This factors are further extended based on the segment selected for research. Further the study can be extended to other cities s too.

Limitations

1. This study is limited to Prakasam DT, Ongole Region.
2. The sample size is little.

Conclusion

The broad objective of the study as stated earlier was to explore the most significant factor to start a business are critically examined in small firms of Prakasam district. The findings of the present study will assist that there are two factors namely 'Supporting Factors of Business (SFB)' & 'Challenging Factors of Business (CFB)' is most significant factors in start a business. Supporting Factors of Business are affecting more the Challenging Factors of Business. These factors may change by taking the different sample size & conducting the survey at different metropolitan cities.

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