

“A STUDY ON GENERATION Z’s ATTITUDE TOWARDS ENTREPRENEURSHIP”**K. Gokulnath*, Dr. K.A. Guhaselvi****

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ABSTRACT

Entrepreneurship is a dominant factor in the process of a nation’s development. The Indian government has introduced so many initiatives to support and encourage the entrepreneurial activities of the youth of the country. Especially with the flagship initiative Startup India, the government of India intends to build a strong ecosystem for entrepreneurship. However, understanding the entrepreneurial intention of the youth of the country is important in the development of entrepreneurship activities. This study was carried out to analyse the Gen Z university students’ attitude towards Entrepreneurship. A self-constructed questionnaire survey was conducted among 112 undergraduate students of various departments such as management, commerce, political science, visual communications and psychology to study the Gen Z’s attitude towards Entrepreneurship. The results showed that 83.9% aspire to start their own venture. Factor analysis was carried out in SPSS 29 to determine the variables which enhances the entrepreneurial attitude of the Gen Z.

KEYWORDS: Entrepreneurship, Generation Z, Entrepreneurial Intention, Attitude**INTRODUCTION**

Countries having higher entrepreneurial initiatives result in a greater fall of unemployment problem (Audretsch, 2002). The startup initiatives by the Indian government support entrepreneurs by building a robust ecosystem and helps in transferring India to a country of job creators and not job seekers. Through this initiative the next gen entrepreneurs have easier access to compliances, fund seeking, legal support, credit guarantee schemes, grants and exemption of taxes. In India, the number of new age enterprises operating in various sectors have been risen by 15,400% during the past six years says the DPIIT (Department for Promotion of Industry and Internal Trade) in its recent report. The first step in becoming an entrepreneur is through the Entrepreneurial Intention of an individual (Krueger et al, 2000). The main factor that determines the entrepreneurial intention of a person is his/her personality trait (Linan & Fayolle, 2015). India with a maximum population below 35 years is a potential country to create more entrepreneurs and the seed for the same should place with them when they are in college. Particularly with the Gen Z who are currently in the colleges have to be taught about Entrepreneurship and encourage them to get the intention towards entrepreneurship and develop their entrepreneurship. Earlier, setting up a business in India was more difficult and mostly dependent upon the approval from the government with regards to licenses and sanctions. Generating funds to start the business mainly depended on the banks. In the recent times, the focus is shifted towards startups encouraging people towards the

journey of entrepreneurship. Currently, the opportunities in the context of entrepreneurship are fast growing and the ideas of creating new ventures have also begun.

REVIEW OF LITERATURE

•ENTREPRENEURSHIP

Entrepreneurship plays a vital role in the economy of a country through employment function and development in the standard of living. Starting a new venture has never been easier as today thanks to the advancements of technology through which we access information right from where we are (Nguyen, 2021). Entrepreneurship was always considered as a risky business and entrepreneurs who cope with risk and pressure have the ability to succeed in the long run (Miano, 2020). Entrepreneurship largely is a male dominated field while considering gender (Marlow, 2002) but today the number of ventures from the female gender is also increasing. Family business background of students show major effect towards their entrepreneurship.

•GEN Z

The Generation Z also called as Children of Internet consist of the people who were born after 1995 until 2010 (McNeil, 2018). They are also known as iGen, Digital generation and Instant online (Levickaite, 2010). The digital nomads are global minded, tech savvy and they are well connected. Most of the Gen Z are the children of the Generation X who did not grow with technology. For the Gen Z, mobile phones are their portable computer, and they always have instant access to information, education material, movies, music and shopping (Rosen, 2011). But Gen Z have been connected with technologies right from an early age and are technology addict.

•ENTREPRENEURIAL INTENTION

A goal to start a new venture is defined as Entrepreneurial Intention (Nairoula & Bajracharya, 2019). Similarly, planning and thinking of starting a new venture in future is also an intent towards entrepreneurship (Youssef et al, 2019). Students in the college education should be introduced with the knowledge of entrepreneurial intention (Nabi et al, 2010) and they must be motivated towards entrepreneurship (Kakkonen, 2011).

Sonia (2020) studied the personality and entrepreneurial intention among Gen Z students and found that Gen Z students has higher intention towards entrepreneurship and wants to be job creators and not job seekers. Similarly, Zhang (2013) in his study concluded that entrepreneurship education plays a major role in the student's entrepreneurial intentions.

OBJECTIVES

- To study the demographic variable of the Gen Z students.
- To analyse the aspiration of the Gen Z towards Entrepreneurship.
- To identify the factors which enhances the Gen Z students towards Entrepreneurship.

RESEARCH METHODOLOGY

This study is descriptive as it seeks to describe the attitude of Generation Z towards entrepreneurship. Using the convenient sampling the data was collected through a self-constructed questionnaire which includes 16 variables related to Gen Z's attitude towards

entrepreneurship. Totally, 112 students from the undergraduate program of various courses took part in this survey. The study depends on the primary data which were collected using the questionnaire. The collected data are analysed using SPSS 29. The tools that are used for analysis includes percentage analysis, descriptive statistics and factor analysis. Due to time constraints, the researcher could collect data only from 112 respondents and only from Coimbatore.

DATA ANALYSIS & INTERPRETATION

Descriptive Analysis

Descriptions	Value	Frequency	Percent
Gender	Male	57	50.9%
	Female	55	49.1%
	Total	112	100%
Age	23-27 years	14	12.5%
	18-22 years	98	87.5%
	Total	112	100%
Education Qualification	Under-graduate	112	100%
	Total	112	100%
Aspiration to start a new business	Yes	94	83.9%
	No	18	16.1%
	Total	112	100%
Entrepreneurs in the family	Yes	68	60.7%
	No	44	39.3%
	Total	112	100%

From the above table result show that out of 112 respondents, 50.9% were male and 49.1% were female with regards to gender. 12.5% of the respondents belonged to the age 23-27 years and 87.5% belonged to 18-22 years. However, they all belong to the Gen Z (born between 1996 and 2010). The education qualification of all the respondent is under-graduate and the study is focusing only on the undergraduate students.

The result showed that 83.9% of them aspire to start new ventures of their own and 16.1% do not aspire to start a new business. The result also states that 60.7% of the respondents have at least one member in the family as an entrepreneur whereas 39.3% of them stated that they don’t have any entrepreneurs in the family.

Factor Analysis:

Factor Analysis Output I – KMO & Bartlett’s Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.740
Bartlett's Test of Sphericity	Approx. Chi-Square 481.357

df	120
Sig.	<.001

KMO index defines the Sampling adequacy. The KMO test value is 0.740 which is more than 0.6 and can be considered acceptable and valid to conduct the data reduction technique. The significance level of Bartlett’s test confirms <.001 which shows that there is a high level of correlation between the variables which makes it adequate to apply Factor analysis.

Factor Analysis Output II – Communalities

Communalities

	Initial	Extraction
Career in Entrepreneurship	1.000	.719
Entrepreneurship is attractive career	1.000	.667
Satisfaction being Entrepreneur	1.000	.601
Investment and resources	1.000	.587
Start my own venture in future	1.000	.669
Parents acceptance for Entrepreneurship	1.000	.507
Knowledge for develop business plan	1.000	.744
Be my own boss	1.000	.647
Skills & abilities for entrepreneur	1.000	.655
Entrepreneurship is rewarding career	1.000	.472
Earning profit is main motivation	1.000	.637
Help employment through entrepreneurship	1.000	.587
Entrepreneurship is advantage	1.000	.584
Institute helps with knowledge for business	1.000	.726
Entrepreneurship course in institute	1.000	.693
help of government for entrepreneurship	1.000	.445

Extraction Method: Principal Component Analysis.

Communalities

All the variable in the communality initially is expected to share 100% variance. Hence, initially every item is having a value of 1.000 which mean 100 % variance share by each item. The extraction value is ranging from 0.744 to 0.445 which shows that maximum variance share of item after extractions is 74.4% and the minimum variance share of item is 44.5%

Factor Analysis Output III – Total Variance Explained

Total Variance Explained

Component	Total	Initial Eigenvalues		Rotation Sums of Squared Loadings		
		% Of Variance	Cumulative %	Total	% Of Variance	Cumulative %
1	4.179	26.119	26.119	2.215	13.845	13.845
2	1.868	11.676	37.795	2.209	13.806	27.651
3	1.471	9.191	46.985	1.958	12.236	39.887

4	1.377	8.606	55.592	1.893	11.834	51.721
5	1.045	6.531	62.122	1.664	10.402	62.122
6	.981	6.129	68.251			
7	.867	5.422	73.673			
8	.726	4.537	78.210			
9	.602	3.760	81.970			
10	.554	3.460	85.430			
11	.540	3.374	88.804			
12	.448	2.800	91.604			
13	.385	2.409	94.013			
14	.362	2.264	96.277			
15	.317	1.979	98.255			
16	.279	1.745	100.000			

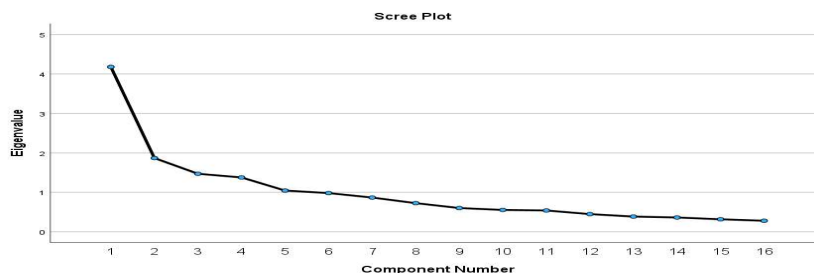
Extraction Method: Principal Component Analysis.

Variance

From the total variance explained output, the result shows that total variance contributed by first component is 4.179, by second component is 1.868, by third component is 1.471, by fourth component is 1.377 and fifth component is 1.045. The Eigen value for a given factor measures the variance in all the variables which is accounted for 1 by that factor. In this study with 16 input variables, the total variance explained tabular confirms that the total variables can be compressed to 5 factors. The output also clears that there is total five components which has Eigen value of more than 1 from the given set of variables. Hence, Eigen value for factor 1 is 4.179, factor 2 is 1.868, factor 3 is 1.471, factor 4 is 1.377 and factor 5 is 1.045.

The output from the rotation sums of squared loadings represents the distribution of variance after the varimax rotation. The varimax rotation tries to maximise the variance of each factor, the % of variation is evenly distributed as compared to the % of variance from the initial Eigenvalues. Likewise, the total variance gets redistributed for the five factors such as 2.215 for factor 1, 2.209 for factor 2, 1.958 for factor 3, 1.893 for factor 4 and 1.664 for factor 5. Varimax rotation set out with an objective to maximise the variance or the loadings on each of the factor.

Factor Analysis Output IV – Screen Plot



Screen Plot

The screen plots shows that the components in the X axis and the corresponding Eigen values in the Y axis. Firstly, only the components whose Eigen values are more than 1 are to be

considered. Here there are five components whose Eigen values are more than 1 such as 4.179, 1.868, 1.471, 1.377 and 1.045. Hence, 4.179 is the maximum Eigen value and this factor is most significant followed by other factors. Since all these five factors are having Eigen value greater than 1 and shares maximum variance, they are essential in this study.

Factor Analysis Output V – Rotated Component Matrix

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
Skills & abilities for entrepreneur	.779				
Earning profit is main motivation	.745				
Entrepreneurship is advantage	.661				
Entrepreneurship is rewarding career	.456				
Be my own boss		.754			
Investment and resources		.705			
Parents acceptance for Entrepreneurship		.503			
Institute helps with knowledge for business			.843		
Entrepreneurship course in institute			.752		
help of government for entrepreneurship			.587		
Career in Entrepreneurship				.804	
Entrepreneurship is attractive career				.659	
Satisfaction being Entrepreneur				.657	
Knowledge for develop business plan					.771
Start my own venture in future					.722
Help employment through entrepreneurship					-.412

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 11 iterations.

Factor 1	Variables	Rotated Loading	% Of Variance	Eigen Value
Entrepreneurial Attitude	Skills & abilities	.779	26.119	4.179
	Earning Profit is main motivation	.745		
	Entrepreneurship is advantage	.661		
	Entrepreneurship is rewarding	.456		

Factor 1:

The Eigen value of factor 1 is 4.179 with 26.119% of variance. The variables are related to entrepreneurial motivation. Factor 1 has high significant loading on the variable skills &

abilities (0.779), earning profit is main motivation (0.745), entrepreneurship is advantage (0.661), and entrepreneurship is rewarding (0.456).

Factor 2	Variables	Rotated Loading	% Of Variance	Eigen Value
Entrepreneurial Personality	Be my own boss	.754	11.676	1.868
	Investment and resources	.704		
	Parents acceptance for entrepreneurship	.503		

Factor 2:

The Eigen value of factor 2 is 1.868 with 11.676% of variance. The variables are related to entrepreneurial personality. Factor 2 has high significant loading on the variable be my own boss (0.754), investment and resources (0.704) and moderate significant on the variable parent’s acceptance for entrepreneurship (0.503).

Factor 3	Variables	Rotated Loading	% Of Variance	Eigen Value
Entrepreneurship Education	Institute helps with knowledge for business	.843	9.191	1.471
	Entrepreneurship course in institute	.752		
	help of government for entrepreneurship	.587		

Factor 3: Entrepreneurship Education

The Eigen value of factor 3 is 1.471 with 9.191% of variance. The variables are related to Entrepreneurship Education. Factor 3 has high significant loading on the variable institute helps with knowledge for business (0.843), Entrepreneurship course (0.752) and help of government for entrepreneurship (0.503).

Factor 4	Variables	Rotated Loading	% Of Variance	Eigen Value
Entrepreneurial Career	Career in Entrepreneurship	.804	8.606	1.377
	Entrepreneurship is attractive career	.659		

	Satisfaction being Entrepreneur	.657		
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Factor 4: Entrepreneurship Career

The Eigen value of factor 4 is 1.377 with 8.606% of variance. The variables are related to Entrepreneurial Career. Factor 4 has high significant loading on the variable career in entrepreneurship (0.804) and moderate significant on the variables Entrepreneurship is attractive career (0.659) and satisfaction being entrepreneur (0.657).

Factor 5	Variables	Rotated Loading	% Of Variance	Eigen Value
Entrepreneurial Intention	Knowledge for develop business plan	.771	6.531	1.045
	Start my own venture in future	.722		

Factor 5: Entrepreneurial Intention

The Eigen value of factor 5 is 1.045 with 6.531% of variance. The variables are related to Entrepreneurial Intention. Factor 5 has moderate significant loading on the variable knowledge for developing a business plan (0.771) and starting my own venture in future (0.722). As the factor loading for the variable help employment through entrepreneurship is -.412, the researcher feels that this variable can be omitted as it does not have any effect on the factors.

FINDINGS & CONCLUSION

Gen Z are curious, passionate and wants to be the creators of change and secure a future for themselves. They are not interested in the traditional job market and hence prefer to become entrepreneurs. This study finds that majority of the Gen Z wants to start new venture and start their Entrepreneurship journey which is a positive sign for the development of the economy. Although when the students do not have any family member in the Entrepreneurship scope, that does not stop them from starting new ventures. The factors that enhance the attitude of the Gen Z are Entrepreneurial Attitude, Entrepreneurial Personality, Entrepreneurship Education, Entrepreneurial Career and Entrepreneurial Intention. These factors affect the attitude of the generation Z towards Entrepreneurship. They must be introduced to the field of entrepreneurship from the school curriculum and also in the initial days of the college life. By this the intention of doing entrepreneurial activities increases among the Gen Z and that can mould them into becoming successful entrepreneurs.

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