



# Examining The Transferability Of Entrepreneurial Skills From Classroom To Startup: A Study In Imphal Valley, Manipur

<sup>1</sup> Dr. Chithung Mary Thomas, Associate Professor, D.M. College of Commerce, Imphal &

<sup>2</sup> Mutum Minarani Devi, Assistant Professor and Research Scholar, D.M. College of Commerce, D.M. University, Imphal

**Abstract:** Classroom teaching on startup of enterprise plays a role in shaping the young mind for taking risks, being imaginative, creative, dynamic, and flexible. They have the ability to spot opportunities, create networks, and are autonomous, self-reliant, and have leadership qualities. All original and innovative ideas are transformed into products and services during the entrepreneurial process to increase an organization's profitability. The purposed of the study is to identify whether the Educational Institutions influence the startup enterprises. 120 respondents who are running the enterprise are selected from Imphal valley using random sampling and with the help of the convenient sampling the required data are collected. To serve the objectives, the study runs Chi-Square analysis, percentage tools. An investigation results reveals that there is significant association between the educational institution and startup enterprise in the study area.

**Key words:** *Innovation, Creativity, Education, and Entrepreneurial process.*

## 1. Introduction

Classroom teaching on startup enterprise play a crucial to overcoming the competition in the modern world as it becomes more complex. To develop the talents and abilities needed in any circumstance, the educational system in society needs to be made precise and efficient. Since it is a means of enhancing human capital, which is the most significant factor in the growth of the society, entrepreneurship education is one of the most important aspects of this educational system. The words "entreprenre" in French and "unterchmen" in German, both of which signify undertaking, are the origins of the word "entrepreneurship." A person who promises to start, manage, and incur risks associated with a commercial operation is said to be an entrepreneur **Ahmad Poordariani (2002)**. According to **Aggarmall and Esposito (2001)**, entrepreneurship can be a skill that offers answers for a variety of problems and functions as a tool for achieving high productivity in a variety of areas of a business. In the context of management research, entrepreneurship focuses on four elements that result from the modification of both current and historical management practices. They are decision making, strategy and performance, organizational design and risk – taking (**Shane and Ulrich, 2001**). In the same way, (**Aisrich and Peters, 2005**) referred entrepreneurship as future which occurs through the change of old and present principles and some aspects of management. They also defined entrepreneurship as a process from which some new things are raised which involves spending of sufficient time and effort and also bearing financial and social risks and finally getting rewards for risk and job satisfaction. **Timmons (1999)** defined entrepreneurship as a capacity to generate knowledge from nothing, ability to know how to recognize, establish and control the available resources which are present with others. Fostering Innovation and Entrepreneurship seeks to encourage the spirit of innovation among aspiring students and rural entrepreneurs. It focuses not only on the assessment of the total number of registered startups in each State/UT, which is a direct result of the State/UT support but also on the regulatory reforms undertaken to support startups in disruptive sectors. This Reform Area assesses the

extent to which Higher Educational Institutes (HEIs) have been engaged in providing support to student entrepreneurs. It also highlights the value of innovation through disruption and promotes State-supported technological disruption to help drive innovation.

The objective of the Manipur Startup Policy is to encourage and inspire the youth of Manipur to actively consider entrepreneurship as a career choice. It includes learning modules, developing relevant entrepreneurship development programs in vocational institutions, and supporting outreach programs. It further includes modules on interactions with entrepreneurs, e-cells, and entrepreneurship development centres across educational institutions in the State.

Incubation support is provided in the form of financial and infrastructural support to startups and State supported incubators. The State/UT Governments have been supporting incubators to set up or upgrade existing facilities through funds and incentives to enhance the incubation infrastructure. This Reform Area also aims at ensuring proportionate utilization of the incubation capacity of the State-supported incubators. The support provided by the State/UT to the incubators through programs and incentives will in turn help startups in scaling up and thereby, in contributing to the growth of the State/UT startup ecosystem. Two key objectives of the Manipur Startup Policy are to support and strengthen existing business incubators and accelerators. The policy also emphasizes the need to encourage the setting up of new business incubators in collaboration with the private sector. The State is on the path of implementing these goals and setting up incubation centres and conducting acceleration programs

## 2. Education Institution and it's Startup Enterprises

The entrepreneurial education is a situation or a location where an individual can attain knowledge; create favorable conditions in order to develop strength to compete with the market changes and improve self – confidence. This includes personal efforts with creative and innovative work which helps for shaping of one's own identity, and in turn to achieve goals and objectives. The entrepreneurial education depends on the active involvement of management and educators to identify the people who are capable of making dreams into reality and achieve goals. To make this possible, it is very important for the teachers to participate in growth activities and development, tracking for an innovative and effective relationship. **Cooper et al (2004)** highlighted some advantages of entrepreneurship education. Some of them are presented in the following:

- 1) Enables an individual to strengthen the ability to make innovative ideas.
- 2) Improves capability of applying the applications to these business ideas innovatively and improving these abilities.
- 3) The people can be attracted towards entrepreneurship through entrepreneurial programs.

**Porter (1994)** said that entrepreneurship education mainly concentrates on imagination, creativity, risk bearing capacity. Traditionally, it focuses on quantitative techniques than creative thoughts. Some important goals of entrepreneurship education are highlighted by **Roach (1999)** are presented in the following:

1. Attaining entrepreneurial knowledge by every individual.
2. Increase of capability to identify business opportunities.
3. Enhance knowledge and ability to develop a flexible strategy which helps for the business during risky situations.
4. Developing required skills and abilities to adopt new methods for establishing a new business and also marketing for it. In addition to these, entrepreneurship education promotes other aspects like communication, problem – solving capabilities, team work, self – management, and planning.

## 3. Literature Review

Many studies proved that entrepreneurship education enables the people to attain positive students' intentions towards entrepreneurship **Fatima Sirelkhatim (2015)** made a study on entrepreneurship education which mainly concentrated on several teaching methods that are present in that educational system. From the results, it is seen that all the teaching methods and contents of a program can be divided into three themes. First theme consists of theoretical contents and is teacher oriented process which is teaching "about" entrepreneurship which mainly concentrates on enhancing students' awareness on entrepreneurship. The second and third themes –teaching "for" and "through" entrepreneurship respectively

are formulated to develop entrepreneurial skills. This can be achieved through building a business friendly environment where people can experience real business situations which encourages them to start their new business venture. **Timo Pihkala (2014)** explained if introduced at school, will be more effective as school education is the initial step to learn in every student's life. There are several methods and strategies introduced for carrying out this task. The analysis is made on the performance of many entrepreneurship educational practices that exists in the schools. The author also analyzed the role and responsibilities of a teacher in promoting entrepreneurial skills among the students. He found that teacher training regarding entrepreneurship have a significant impact on performance of them in encouraging students towards entrepreneurship career. The effectiveness of entrepreneurship education increases with the increase in number of entrepreneurship educational programs. **Michael Lorz (2011)** made a study on how entrepreneurship education influences entrepreneurial intention of students. Entrepreneurship education is considered and declared as a major tool that influences entrepreneurial intentions in a positive way. People who are already self – employed can gain more knowledge through entrepreneurship education which enables them to improve entrepreneurial skills and abilities. **Kolb's (1978)** suggested a learning process that consists of four steps which is simply called as four step learning method along with some personality characteristics of entrepreneurship. The first step in 4 – step learning process is concrete experience which means knowing about facts that happened related to particular situation. This gives the existing information about the situation. The second step is reflective observation which involves the process of observing the situation and gathering information. From this the data can be gathered through observation. The third stage is abstract conceptualization which involves finding solutions for observed problems and fourth stage, active experimentation, is about practically applying strategies formulated as solutions for problems. **McMullan and Long (1987), Vesper and McMullan (1988) and Plaschka and Welsch (1990)**, while explaining about curriculum, stated that entrepreneurship format should be separated and differentiated from traditional management programs. According to McMullan and Long, the concept of venture formation should be considered as the base for projecting this difference. Along with the above mentioned aspects, some essential skills – building courses like negotiation, leadership and innovative thinking, knowledge about updating technology and new product development are necessary. They stated the major difference between entrepreneurial programs and traditional management programs is that the skill and ability of an individual to identify and utilize the available opportunities spontaneously and the capability of planning for future. **Vespehr (1981)** presented three major factors that cause an individual to start an enterprise. They are: possibility to start a business, knowledge and awareness of entrepreneurship and popularity among entrepreneurs. Nelson Wank recognized 18 vital elements like planning, marketing, advertising, insurance, investment, control etc. for establishing small companies. **Lenderberg (1982)** highlighted some important questions that are to be answered while designing an entrepreneurial course program. They are: what are the topics that are to be covered in courses of entrepreneurship education? What teaching methods and techniques are to be used in the program? What are the aspects that are used to modify these programs? **Lepsen (1988)** opined that the primary focus of entrepreneurship education should be on the content in that course, its advantages, and also the learning and teaching quality. An article by **Knight (1991)** proposed a model that consists of methodology which describes the process of teaching entrepreneurship. It includes the concepts like opportunity identification, developing strategies, resource allocation and implementation. Through this study, he suggested that these concepts are important for every one like group of people, individual, organization, industry and society. In addition to these, he also suggested some functional and start – up strategies that helps an individual to start a new business venture. It also consists of the structure of curriculum that is taught in University of Western Ontario. **Garnier and Gasse (1990)** studied the process of changing the attitudes of people through entrepreneurship education. They found that 14 percent of people who have undergone entrepreneurship training through newspapers are motivated towards entrepreneurial career and planned to start their own business immediately. They also said that the mode of education or training also very important. **Clouse (2020)** measured the effect of introductory entrepreneurship course on students' decisions and found that their attitudes' attitude towards entrepreneurship changed and got ready to start their own business firms. **Murphy and O'Connor (2014)** suggested from their experiences that training process which consists of mediating factors like incubators can enable the people to establish firms with sophisticated technology. Entrepreneurship education not only helps in influencing people to start their own business but also enables the potential entrepreneurs to improve their success rate. Price and **Moroe (2002)** identified one effective training program namely 'Fast Trac' which is organized mainly for women and minority entrepreneurs which had a positive influence on growth and development of new business. Apart from the post – secondary level, **Albert, Fournier and**

**Marion (1991)** suggested that a strong relationship between people and needs of business men is achieved through formulating training programs according to their business requirements.

#### 4. Objectives of the Study

- 1.To study the Socio-Economic Profile of the Respondents
- 2.To analyze role of educational Institution in development of entrepreneurs.
- 3.To offer suggestions based on the findings of the study.

#### 5. Hypothesis of the Study

H0: There is no significant relation between Institutional Educational on Development of Entrepreneur.

#### 6. Research Methodology

The study is based on data collected during Megacity Project Survey 2015-216. A two-stage stratified sampling was employed to draw sample. At first stage 1% blocks from each town/cantonment were selected through systematic random sampling after a random starting point. At second stage 15 households were selected from each block after a random starting point. In total 120 households were visited for during survey and were interviewed. Data is showing that 30% (36) respondents are belonging young people of age bracket 15-25 and 80% young people were available at home for interview during survey that showed good response rate of the study. Chi Square statistics analysis is used to analyze the relationship between educational Institutions and startup enterprises. The chi square analysis is showing strong association between running their own business is between having knowledge, skills and abilities to run business.

#### 7. Analysis and Interpretation

At this stage deals with the analysis and interpretation of the data collected through primary source and deals with the demographic information of the respondents or sample size and test the entrepreneurial education on economic development:

**Table-1: Socio-Economic Profile of the Respondents**

Variables		Male	Female	Percentage
Age	15-25	2	0	2 (1.67)
	25-40	15	1	16 (13.3)
	30-55	79	6	85 (70.83)
	55-above	6	11	17 (14.17)
Type of Family	Joint Family	17	8	25 (20.3)
	Nuclear Family	85	10	95 (79.17)
Marital Status	Married	89	11	100 (83.3)
	Un Married	0	0	0
	Divorce/Separated	13	7	20 (16.67)
	Widow	0	0	0
Size of Family	< 5	77	18	95 (79.17)
	5 - 8	25	0	25 (20.83)
	8-Above	0	0	0
Qualification	Under -12	24	1	25 (20.83)
	12 – pass	15	9	24 (20)
	Graduate	62	8	70 (58.33)
	Post graduate	1	0	1 (0.8)
	Other	0	0	0
Income	Rs 100,000- Below	0	9	9 (7.5)
	Rs.100,000- 500,000	82	7	89 (74.17)
	Rs.500,000-10,00,000	18	2	20 (16.67)
	Rs. 10,00,000 - Above	2	0	2 (1.67)
Expenditure	Rs. 10,000 - Below	4	6	10 (8.33)
	Rs. 10,000 - 50,000	89	12	101 (84.16)
	Rs. 50,000- 80,000	9	0	9 (7.5)
	Rs. 80,000 - Above	0	0	0
Type of Enterprises	Retailing	5	6	11 (9.17)

	Wholesaler	9	0	9 (7.5)
	Vegetables	49	0	49 (40.83)
	Food Processing	26	7	33 (27.5)
	Livestock	18	5	18 (15)
	Others	0	0	0
Experience	0-5 years	80	13	93(77.5)
	5-10 years	22	5	27 (22.5)
	10-Above	0	0	0
Production	0-5 tons	76	18	94 (78.33)
	5 -10 tons	26	0	26 (21.67)
	10-Above tons	0	0	0

*Source: Computed from primary data*

Table-1 determined the socio-economic profile of the respondents, the factors such as age, marital status, education qualification, family size, types of family, annual income & expenditure, type of enterprise, production, and experience of the entrepreneurs are taken into consideration on the study of respondents profile. An investigation result reveals that the majority of the respondents (70%) is under the age of 30-55 and were married and live in a nuclear family (78%). 80% of the respondents have the maximum of five (5) members in a family having the highest education qualification of graduation (60%). The table further shows that 73.6% of the respondents have an annual income of Rs 100,000 - 500,000 from their enterprises, and 83.2% of the respondents incurred annual expenditures. 43.2% of the respondents' enterprises engage with vegetable-related products having 0-5 years of experience running enterprises that have produced 0-5 tons of productions.

**Table-2: Young People Run their Own Business**

Have run their own business	Knowledge, Skill & Abilities to run business		Total
	Yes	No	
No	94.4%	82.8%	90.7%
Yes	5.6%	17.2%	9.3%
Total	100.0%	100.0%	100.0%

*Source: Computed from primary data*

Bivariate analysis showed, only 9.3% young people are running their own business. 17.2% young people have adequate knowledge, Skills & abilities to run business and 5.6% do not have knowledge, skills & abilities. Comparison of analysis shows young people has knowledge, Skill, & abilities are more likely to run their own business.

**Table-3: Gender based Enterprises**

Have run their own business	Male	Female
No	88.4%	93.5%
Yes	11.6%	6.5%
Total	100.0%	100.0%

*Source: Computed from primary data*

Bivariate analysis shows that males are more likely to involve in running their own business 11.6% males are engaged in business activities in comparison with 6.5% female.

**Table-4: Having Knowledge, Skills and Abilities to Run Business**

Having Knowledge, Skills and Abilities to run business	Receive business education		Total
	Yes	No	
No	69.1%	53.5%	68.1%
Yes	30.9%	46.5%	31.9%
Total	100.0%	100.0%	100.0%

*Source: Computed from primary data*

The young people who have attended business school for entrepreneurship education are more likely feel they can do their business. Analysis also reveals the importance of quality of education provided by business school in the city. 53.5% young people attended business school for the course of entrepreneur development are not running their business and not able to startup a new business.

**Table-5: Chi-Square Analysis**

Pearson Chi-Square	df	Level of Sig. $\alpha = 0.05$	Status
H0 <sub>1</sub> : Running their own business is independent of having knowledge, skills and abilities to run business.	1	0.000	Rejected
H0 <sub>2</sub> : Running their own business is independent of gender.	1	0.000	Rejected
H0 <sub>3</sub> : Having Knowledge, Skills and Abilities to run business is independent of having education from business school to run business	1	0.000	Rejected

*Source: Computed from primary data*

Chi square statistics is a nonparametric test. It analyses relationship between categorical variables. Null hypothesis shows no relationship and research hypothesis depicts association of variables (Statistics Solutions, 2016). The chi square analysis is showing strong association between running their own business is between having knowledge, skills and abilities to run business. The P – value for H0<sub>1</sub> is less than 0.05. Running one's own business is also associated with gender. The P – value for H0<sub>2</sub> is less than 0.05. Besides this having Knowledge, Skills and Abilities to run business is associated with having education from business school to run business. The P – Value for H0<sub>3</sub> is less than 0.05.

## 8. Conclusion and Recommendation

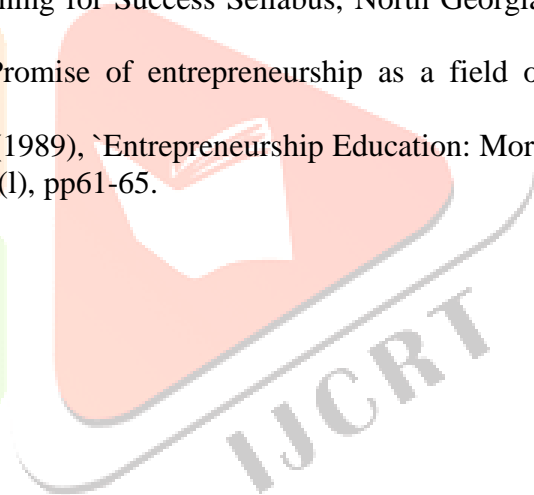
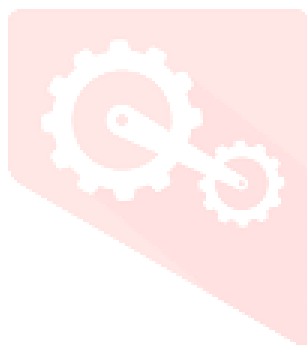
Educational institutions play an important role in development of young entrepreneurs. Entrepreneurial intention depends on many factors e.g. educational institution, parenting style, environment of existence and entrepreneurial orientation etc. The study concluded, people received business education from entrepreneurial institutions, have adequate knowledge, Skills & abilities to run their own business. In the case of Karachi only 46.5% young people are feeling they have adequate education background about running business while they have received proper business education. Business schools are not providing quality education that can create match between business needs and academics of business education.

1. Educational institution should adopt new way of teaching entrepreneurship as per international standard.
2. Educational institutions should initiate such courses that can motivate students and increase their intention about becoming entrepreneur.
3. Educational institutions should prepare students for corporate sector by updating course work as per requirement of corporate sector.
4. Educational institutions should provide platform that create a link between students of entrepreneur studies and corporate sector.

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### Author(S) Profile



**Dr. Chithung Mary Thomas is serving as** Associate Professor, Dept. of Management & Business Studies, D.M. College of Commerce, Imphal, Manipur. She is member of ITC. She has written research papers on various areas related with tourism and hospitality industry in Manipur.



**Mutum Minarani Devi,** Assistant professor, D.M. College of Commerce, Imphal. She is currently pursuing Ph.D. in Commerce, D.M. University.

