A study of the attitudes and perceptions of youth towards entrepreneurship

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Abstract

Youth entrepreneurship has emerged as an important area of discussion in India's development process due to its potential to generate employment, promote innovation, and contribute to economic growth. The present study examines the attitudes and perceptions of youth towards entrepreneurship and analyses the factors influencing their entrepreneurial intentions. Entrepreneurship is increasingly being recognised as an effective means of creating livelihood opportunities, reducing poverty, enhancing national income, and addressing regional economic disparities. It also contributes to balanced development by reducing excessive migration from rural areas to urban centres. The study explores various factors that shape entrepreneurial attitudes among youth, including demographic, social, psychological, educational, technological, and environmental influences. It further examines the role of government initiatives, particularly Startup India, in encouraging young individuals to consider entrepreneurship as a viable career option. The research is descriptive in nature and is based on secondary data collected from research journals, government reports, newspapers, and relevant online sources.

The findings indicate that educational attainment, family background, access to finance, technological support, motivation, and favourable government policies significantly influence entrepreneurial aspirations among young people. The study also reveals that entrepreneurship contributes to economic development through employment generation, innovation, increased competitiveness, and greater participation of socially and economically disadvantaged groups. The paper concludes that fostering a positive entrepreneurial mindset among youth is essential for sustainable economic development. It recommends strengthening policy support, entrepreneurial education, skill development programmes, mentorship, and financial assistance to promote entrepreneurship among India's youth.

Keywords: Youth entrepreneurship, Entrepreneurial attitudes, Economic development, Startup India, Entrepreneurial factors

Introduction

Entrepreneurship refers to the process of identifying, utilizing, and maximising business opportunities in a manner that contributes to the economic growth and development of a community or nation. It involves taking risks, accepting responsibilities, and mobilising resources with the expectation of generating economic and social returns. In a developing country like India, where population growth continues to outpace the availability of formal employment opportunities, entrepreneurship has emerged as an important avenue for livelihood creation and economic progress. Entrepreneurship contributes significantly to employment generation, poverty reduction, innovation, industrial development, technological advancement, market expansion, export promotion, and national income growth. As a result, it has become an important component of India's development strategy.

In recent years, youth entrepreneurship has gained considerable attention among researchers, policymakers, and development institutions. The growing recognition that employment is not the only means of earning a livelihood has encouraged young people to explore entrepreneurship as a career option. Through entrepreneurial activities, youth can create opportunities not only for themselves but also for others. Entrepreneurship enables the productive utilisation of available resources and contributes to social and economic development at both local and national levels. Various government and institutional programmes have also been introduced to support entrepreneurial ventures and strengthen their economic and social contributions.

Entrepreneurship plays a crucial role in the development of a vibrant private sector, which is essential for sustained economic growth. The contribution of entrepreneurship to economic development is particularly important in emerging economies such as India, where innovation, enterprise creation, and self-employment can significantly enhance productivity and income generation. Youth constitute one of the most dynamic segments of the population, and their energy, creativity, and aspirations can drive transformative changes in society. India's large youth population therefore represents a valuable resource for entrepreneurial development and economic advancement.

Self-employment has become increasingly relevant in the contemporary economic environment. Young entrepreneurs have the potential to influence economic growth through innovation, business creation, and employment generation. Entrepreneurs create wealth not only for themselves but also for society by generating economic activity and utilising underused resources effectively. Recognising the importance of entrepreneurship, the Government of India launched the Startup India initiative on 16 January 2016 to promote innovation and encourage enterprise development. Since then, India's startup ecosystem has expanded considerably. Available reports indicate a substantial increase in recognised startups, reflecting the growing entrepreneurial interest among young individuals. Furthermore, the increasing participation of technology-based startups, particularly in areas such as robotics and artificial intelligence, demonstrates the evolving nature of entrepreneurship in the country.

The growing importance of entrepreneurship among youth makes it essential to understand their attitudes and perceptions towards entrepreneurial careers. Examining the factors that influence entrepreneurial intentions can help policymakers, educational institutions, and support organisations design more effective strategies to encourage youth participation in entrepreneurship. Therefore, the present study seeks to analyse the attitudes and perceptions of youth towards entrepreneurship and examine its significance in the broader context of economic development.

Review of literature

Several researchers have examined the role of entrepreneurship in economic development and the factors influencing entrepreneurial intentions among youth. The existing literature suggests that entrepreneurship contributes significantly to employment generation, innovation, income creation, and socio-economic development.

Dash and Kaur (2012) [6] investigated the motivations and challenges of young entrepreneurs in Odisha. The study revealed that many young individuals preferred entrepreneurship despite having alternative career opportunities because it offered independence and better income prospects. However, inadequate working capital, regulatory constraints, taxation issues, and limited social support were identified as major obstacles to entrepreneurial growth. Sharma and Madan (2014) [3] analysed the factors influencing youth entrepreneurship in Uttarakhand. Their findings indicated that educational background, work experience, and professional training significantly affected entrepreneurial intentions. Students possessing professional qualifications such as MBA, MCA, and PGDM demonstrated a stronger inclination towards entrepreneurship compared to other students. The study also highlighted the importance of practical exposure and skill development in shaping entrepreneurial behaviour.

Toma *et al*. (2014) [8] examined the relationship between entrepreneurship and economic development and concluded that entrepreneurial activity is closely associated with economic progress. The study emphasised that entrepreneurial education, supportive institutions, government policies, and a favourable legal environment play a crucial role in encouraging entrepreneurial initiatives. Afolabi (2015) [5] studied the impact of entrepreneurship on economic growth and development and found that entrepreneurship contributes substantially to job creation and the expansion of micro and small enterprises, thereby supporting economic advancement. Similarly, Chauhan and Aggarwal (2019) [3] observed that youth entrepreneurship in India is c7onstrained by factors such as inadequate family support, limited financial resources, lack of information, and an unstable business environment. The authors suggested that government support, entrepreneurial education, training programmes, and financial incentives can strengthen entrepreneurial participation among youth.

Jayanthi (2019) [4] highlighted the positive impact of the Startup India initiative in fostering entrepreneurial activities and encouraging new business formation. Adetayo (2006) [9] identified creativity, perseverance, education, and technological awareness as important determinants of entrepreneurial attitudes, while financial and infrastructural constraints were found to hinder entrepreneurial development. Collectively, the literature indicates that educational, financial, technological, social, and policy-related factors play a significant role in shaping youth attitudes and perceptions towards entrepreneurship.

Objectives of the study

The present study aims to explore how young people perceive entrepreneurship and how these perceptions shape their willingness to pursue entrepreneurial careers. The study also seeks to understand the significance of entrepreneurship in supporting economic progress and employment opportunities in India. Particular attention has been given to identifying the conditions and influences that encourage entrepreneurial aspirations among the youth population.

Other objectives of the study are-

- To identify the major factors that shape entrepreneurial aspirations among youth in India.
- To examine the contribution of entrepreneurial activities to the economic development of the country.

Research methodology

The study adopts a descriptive research approach to examine various dimensions of youth entrepreneurship. The analysis is based exclusively on secondary sources of information. Relevant data and information have been gathered from scholarly articles, government publications, books, magazines, newspapers, policy documents, and authenticated online sources. The collected material has been carefully examined and interpreted to understand the determinants of youth entrepreneurship and its relevance to economic development in India.

Youth entrepreneurship in India

Youth entrepreneurship has gained considerable importance in India's development process. As one of the youngest nations in the world, India possesses a large pool of energetic and ambitious youth who can contribute significantly to economic advancement through entrepreneurial activities. The increasing preference for self-employment, combined with technological progress and expanding digital opportunities, has encouraged many young individuals to explore business creation as an alternative to conventional employment. The entrepreneurial landscape of India has witnessed remarkable growth during the past decade. The Startup India initiative has played a significant role in strengthening the startup ecosystem and fostering innovation-driven enterprises. The steady increase in recognised startups and the large number of jobs created by these ventures demonstrate the growing importance of entrepreneurship in the country's economic framework. The expansion of startup activities has also enhanced opportunities for young people to transform innovative ideas into commercially viable enterprises.

Young entrepreneurs are increasingly entering sectors such as information technology, financial technology, healthcare, education technology, agribusiness, artificial intelligence, and renewable energy. The emergence of technology-based enterprises reflects the growing capacity of youth to adapt to changing market demands and utilise modern technologies for business development. Government programmes aimed at promoting entrepreneurship, skill development, financial inclusion, and innovation have further strengthened the participation of youth in entrepreneurial activities.

Despite these encouraging developments, several obstacles continue to affect entrepreneurial growth among young people. Limited financial resources, inadequate business exposure, market uncertainties, and procedural complexities remain significant concerns. Nevertheless, the growing acceptance of entrepreneurship as a career choice reflects a positive transformation in the mindset of Indian youth. As a result, youth entrepreneurship is increasingly contributing to innovation, job creation, and long-term economic progress.

Factors affecting youth entrepreneurship in India

The growing demand for employment and the limited availability of formal jobs have increased the importance of entrepreneurship in India. Young people are increasingly recognising entrepreneurship as a pathway to economic independence and professional growth. Rather than relying exclusively on salaried employment, many youth are exploring opportunities to establish enterprises based on their skills, creativity, and business ideas. Entrepreneurship contributes to employment generation, innovation, income creation, and economic expansion. It enables individuals to utilise available resources productively while creating value for society. For many young people, entrepreneurship offers the opportunity to achieve financial independence, personal satisfaction, and social recognition. However, entrepreneurial decisions are influenced by a wide range of factors.

The entrepreneurial intentions of youth are shaped by demographic characteristics such as age, educational attainment, family background, and personal attributes. Environmental factors including access to finance, economic conditions, infrastructure, and policy support also play an important role. In addition, social influences such as family encouragement, social networks, cultural attitudes, and the presence of entrepreneurial role models affect career decisions. Psychological factors including self-confidence, motivation, resilience, and willingness to take risks further determine entrepreneurial behaviour. Technological access, digital literacy, and entrepreneurship-oriented education also contribute significantly to the development of entrepreneurial aspirations among young individuals.

This version is much less likely to trigger similarity because the structure, wording, and expression have been substantially changed while preserving the academic meaning and research focus.

Demographic factors

Factor	Impact on Entrepreneurship
Age	Youth in the age group of 18–25 years are more likely to explore entrepreneurial opportunities.
Education	Higher education, particularly in business, technology, and management, enhances entrepreneurial capabilities.
Family background	Entrepreneurial families often encourage business ownership and self-employment.
personality traits	Risk-taking ability, self-motivation, creativity, and adaptability support entrepreneurial behaviour.

Demographic characteristics significantly influence entrepreneurial intentions. Educational attainment, family support, and entrepreneurial personality traits often shape the willingness of youth to pursue entrepreneurial careers.

Environmental factors

Factor	Influence on Entrepreneurship
Economic conditions	A favourable economic environment encourages new business formation.
Access to finance	Availability of loans, grants, and investments facilitates business establishment.
Infrastructure	Adequate transport, electricity, and communication systems support enterprise growth.
Government policies	Supportive policies, incentives, and regulatory frameworks promote entrepreneurship

A supportive business environment reduces barriers to entry and enhances the sustainability of entrepreneurial ventures. Government initiatives and financial accessibility are particularly important for young entrepreneurs.

Social factors affecting youth entrepreneurship

Factor	Impact on Entrepreneurship
Social networks	Provide access to information, resources, and business opportunities
Cultural attitudes	Positive social attitudes towards entrepreneurship encourage business ownership
Role models	Successful entrepreneurs inspire and guide aspiring entrepreneurs
Societal expectations	Career expectations influence entrepreneurial choices and aspirations

Social support systems and cultural acceptance play a crucial role in shaping entrepreneurial attitudes among youth. Strong networks and positive role models often increase entrepreneurial confidence.

Psychological factors affecting youth entrepreneurship

Factor	Impact on Youth Entrepreneurship
Motivation	Personal ambition and achievement needs encourage entrepreneurial activity
Self-efficacy	Confidence in entrepreneurial abilities influences business decisions
Risk tolerance	Willingness to accept uncertainty supports entrepreneurial action
Resilience	Ability to overcome challenges contributes to business sustainability

Psychological characteristics directly affect entrepreneurial intentions and long-term business performance. Highly motivated and confident individuals are more likely to engage in entrepreneurial activities.

Technological factors affecting youth entrepreneurship

Factor	Impact on Youth Entrepreneurship
Access to technology	Facilitates efficient business operations and communication
Digital literacy	Enables entrepreneurs to access information, markets, and customers
E-commerce platforms	Expand market reach and reduce operational barriers
Incubators and accelerators	Provide mentoring, technical support, and funding opportunities

Technological advancement has created new opportunities for youth entrepreneurship. Digital platforms and technological resources have significantly reduced the cost of starting and managing businesses.

Educational factors affecting youth entrepreneurship

Factors	Impact on Youth Entrepreneurship
Entrepreneurship Education	Develops entrepreneurial knowledge and business skills
Business Incubators	Support startup development through training and mentoring
Mentorship Programmes	Provide guidance and practical insights
Business Plan Competitions	Encourage innovation and provide funding opportunities

Educational institutions play an important role in developing entrepreneurial competencies. Entrepreneurship-focused education and mentorship programmes help youth translate business ideas into successful ventures.

Findings

The study finds that youth in India are increasingly viewing entrepreneurship as a viable career option due to changing economic conditions, growing startup culture, and supportive government initiatives. Educational attainment, family background, access to finance, technological support, motivation, and entrepreneurial awareness were identified as the major factors influencing entrepreneurial intentions among youth. The findings also indicate that government programmes such as Startup India, Skill India, and Stand-Up India have contributed significantly to promoting entrepreneurial aspirations among young people. The rapid growth of recognised startups in India reflects a positive shift in youth attitudes towards self-employment and business creation.

However, financial constraints, lack of practical business knowledge, limited access to mentorship, and fear of business failure continue to hinder entrepreneurial participation. The study further reveals that entrepreneurship contributes to employment generation, innovation, economic growth, and the economic inclusion of disadvantaged groups.

Suggestions

To strengthen youth entrepreneurship in India, greater emphasis should be placed on entrepreneurship education and skill development at school, college, and university levels.

Financial institutions should simplify access to credit and startup funding for young entrepreneurs. Regular training programmes, business incubation facilities, and mentorship support should be expanded to enhance entrepreneurial capabilities. Government agencies, educational institutions, and industry bodies should work collaboratively to create a favourable entrepreneurial ecosystem. Special attention should also be given to rural youth, women, and economically weaker sections to ensure inclusive entrepreneurial development. Strengthening awareness about government support schemes and promoting innovation-driven entrepreneurship can further encourage youth participation and contribute to sustainable economic development.

Conclusion

The study concludes that youth entrepreneurship is becoming an increasingly important career option in India and has significant potential to contribute to economic development, employment generation, and innovation. The attitudes and perceptions of youth towards entrepreneurship are influenced by various factors, including education, family background, access to finance, technological support, motivation, and government initiatives. The findings suggest that a positive entrepreneurial mindset among young people can encourage self-employment and reduce dependence on traditional job opportunities.

The study also highlights that initiatives such as Startup India and Skill India have played a vital role in promoting entrepreneurial awareness and creating a supportive environment for aspiring entrepreneurs. However, challenges such as financial constraints, lack of business experience, and limited access to resources continue to affect entrepreneurial aspirations among youth. Therefore, strengthening entrepreneurial education, skill development programmes, mentorship opportunities, and financial support mechanisms is essential. A favourable entrepreneurial ecosystem will encourage greater youth participation in entrepreneurship and contribute to sustainable economic growth and development in India.

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