Motivational Factors of Edupreneurs for venturing in higher Education in Rajasthan, India

Tharaney Vivek and Upadhyaya Deepika

1Footwear Design and Development Institute, (Ministry of Commerce and Industry, GOI, Delhi) Near National Law University, Mandoor, Jodhpur, Rajasthan, INDIA
2FMS, MDS University, Ajmer, Rajasthan, INDIA

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Abstract

This article explores and tries to get insight into decisions that entrepreneurs take about the type of organisation they want to establish, which sector they intend to enter in, their motivations which drive them to venture in the life cycle of edupreneurship. Further effort has been made to delve deeper into assessing choices they make in terms of sector as well as form of enterprise and the surrounding ecosystems which influence them. A combination of secondary and primary research have been used as a approach of methodology for research. Interview recordings available either online or in printed form have been used as secondary means of research to explore the ecosystem’s role and various other aspects concerning the theme of topic. The inferences and conclusions that are arrived at, as a fallout of this study, are suggestive in nature. A kind of broad framework is being constructed which can be instrumental in helping entrepreneurs who are planning to enter higher education sector in India at different-different stages of the Life Cycle of Entrepreneurship. Lakhs and lakhs of individuals have benefitted economically and achieved success in their chosen area as a result of Entrepreneurial initiatives of persons who have created new firms during the last 20 years. Entrepreneurship has accelerated the pace of economic growth in this world and has emerged as the most prominent driving force of economy. Entrepreneurial orientation refers to the processes, practices, and decision making activities that lead to the development of enterprises. It is the combination of abilities, traits and extra personal influences that would enable a person to mobilize his/her psychological resources to enter into a challenging venture. In the present study variables, namely, risk taking, achievement motivation, organizational abilities, self concept, persuasion, governmental officials’ attitude towards entrepreneur and entrepreneur’s problem solving ability are taken as indices of entrepreneurial orientation. It is contended that parenting of first generation entrepreneurs is playing crucial role in shaping children’s (second generation’s) entrepreneurial orientation. Parenting styles viz. authoritarian parenting, authoritative parenting and permissive parenting have effect on entrepreneurial orientation. Parenting seems to be another important influence in the development of entrepreneurial orientation. Various aspects of personality viz. Neuroticism, Extraversion, Openness to experience, Agreeableness and Conscientiousness play a role of stimulating environment in shaping entrepreneurial orientation in education.

Keywords: Ecosystem, motivational factors, edupreneurship, edupreneurs, higher technical education, entrepreneurial orientation.

Introduction

Edupreneurship as a concept means initiative of any entrepreneur in educational filed. Entrepreneurship per se has varying connotations from person to person. Different persons have interpreted Entrepreneurship in their own way, some feel that its the outlook towards problems of life and scope, while some interpret as what are ones goals and approaches of doing business and morality principles. Since there has been shift in focus in last decade in the entire world and also in India towards education there fore entrepreneurship is noticeable in education sector also.

Entrepreneurship has been prevalent in this part of world since time immemorial, we create solutions for all problems we face in our day to day life and we have acquired expertise in same.

Change in focus of government and liberalisation have helped new young people to enter education sector in recent years. Since as per forecasts we will have more of young population in coming decades, there is lot of scope for entrepreneurship in India. Even after globalisation, liberalisation efforts of 1991, still the quality of education especially in higher education in India is not something to be happy about. Despite Government spending lot of money in this sector has not been able to bring about real transformation. So many universities created by government have not been able to raise the quality of standard of higher education in India. Role of different types of ecosystems which are involved in entrepreneurship, have been studied in this research. This research also tries to delve deeper in trying to understand the choices that an entrepreneurs makes about the sector that he or she desires to enter in. What
motivates an entrepreneur to explore various growth opportunities in education sector are also studied.

**Literature Review:** In order to assess role of Ecosystem on entrepreneurship and suggest some recommendations for conceptualizing an overall framework towards encouraging edupreneurship in Higher education, pre requisite is to put on a canvas the entire spectrum of challenges, growth opportunities, understanding different reasons for doing things what an entrepreneur does during his journey of entrepreneurship in Higher Education. In depth study of same at international level in general and specific study in India and more intricate study in Rajasthan in particular. Review of motivational factors, Goals, Choices of Location, Ecosystem and stages of Entrepreneurship is being done to understand viewpoint of Entrepreneurs and various research scholars.

**Motivational Factors:** Self motivation, which is a non-monetary drive, should be the essential desire for operating the enterprise. Economic Growth is an acceptable driver for establishing any enterprise for any entrepreneur. But true leadership of enterprise comes from self motivation alone. Many a persons today do not wish to work for others rather they prefer to be owners of own companies. Many motivating factors contribute to same they are monetary and non monetary factors. These might include giving shape to ones own ideas in to business form, will to generate wealth, no upper limit of income, no bosses to report to are some of the few motivators according to Cohoon, Wadhwa and Mitchel.

Factors that drive entrepreneurship in India, according to National Knowledge Commission (NKC), are Dream / Desire, Independence, Business family background, explore more opportunities, face new challenges, possibilities of en cashing new potential ideas. Success of a new enterprise depends on various factors like age of budding entrepreneur, his background, region he belongs to, prior work experience and time frame of economy when a new entrepreneur tries to explore new avenues.

Motivating factors for entrepreneurs to start own enterprise according to Manna and Roy: i. Inclination, systematic orientation, ii. Growth opportunity for innovative thoughts, iii. Death of father, who was handling the family business, also causes a deflect in life trajectory of an entrepreneur, iv. Relative comfort in expanding family enterprise, v. To continue the ancestral family business after death of father / grand-father who was managing it previously.

One major positive factor that motivates entrepreneurship in education, is the by and large belief that in the country there are many a good opportunities available for same. This is based on GEM 2012 report. At times it is observed that despite high motivations, real actions do not fall out from same. Despite high confidence and high spirits, work done is not as per ability of entrepreneur. As a result there is not much of influence beyond a particular time frame and hence it leads to short lived entrepreneurship. New generation shows interest in edupreneurship in further stages of venture. It is extremely important that for employment creation and self growth, the motivation should be sustained for long, else the steam fizzes out with few hurdles.

**Choices:** Kauffman Foundation says entrepreneurial venture can take up share of resources as below. i. Single person owns the enterprise without profit sharing. ii. Two persons own collectively and share benefits in agreed ratio. iii. Organisation or Corporation or Company: A firm which has legal sanctity and can purchase, hold, acquire property, take funds, money and mange operations for success of individual and the firm. iv. Small Business, Scale able Start up, Large Company and Social Enterprise are the categories of entrepreneur according to Steve Blank.

Based on the type of business one does, Government of India classifies entrepreneurs. Categories of entrepreneurship are: i. Technical: In order to bring in more efficiency in the process, technical aspects of manufacturing, operations are improvised based on new innovative technologies and ideas. ii. Non-Technical: To enhance overall efficiency of working, improvements in supply chain logistics, brand building, marketing, sales and smookening of operations of organisation are encouraged.

Type of entrepreneurship that an entrepreneur chooses is put in a proper framework in shape of a pyramid by the members of National Knowledge Commission in 2008. T Based on the number of persons employed and also ont he basis of sector various levels of pyramid are framed as shown below:

Bottom Level (1): All agrarian activities like Plantation, Livestock, Fishing, Mining, Quarrying, Crop Production etc.

Level 2: All trading activities and Services like Restaurants, Hotels, Wholesale business, Retail Trade.

Level 3: Traditional sectors of economy like electricity, Gas and Water Supply, manufacturing.

Top Level 4 : Knowledge dominant sectors and other emerging sectors like: Social and personal services, Supply chain, Insurance, Banking, Construction, Storage, Communications, Finance, Information Technology, Community services etc.

**Ecosystem:** Overall ecosystem would motivate and encourage entrepreneurship if the sub sections of this ecosystem create a conducive environment and push in a positive manner. Entrepreneurship is influenced by:

Socio – cultural factors: Magnitude of success achieved in an endeavour is influenced by various cultural and social factors. This has been observed by Shivani, Mukherjee and Sharan. The study shows that kind of multiple roles that an entrepreneur has to play like that of production manager, Marketing Manager, Accountant, Product designer, Logistics person all...
simultaneously, till the enterprise gets mature and established and new professionals join the organisation. Entrepreneur has to play all these roles. His attention gets divided and due to lack of focus output and success of enterprise gets affected.

Another social factor affecting progress of entrepreneurship in education sector is the involvement of other family members in the educational enterprise. This requires paradigm shift in Indian Business thought process. Whenever a paradigm shift occurs a new analytic framework changes the way a system operates. The policies of Liberalisation, privatization and globalisation gave paradigm shift to Indian liberal business environment and this lead to a new breed of entrepreneurs who were well trained, qualified and much more educated. Many educational enterprises governed by families could not flourish due to adamant strong beliefs of the old breed of entrepreneurship which were not in tune with new budding entrepreneur emerged out of a new business environment. This created the need for mentoring, coaching, guiding for the sustainable development of Indian family businesses because old generation did not have much to offer in the new business environment. Paradigm shift is a must in terms of the family system, political systems, information technology, human resource management, marketing needs and management education or professional degrees acquired by new entrants to family businesses. The sustainability of the family businesses rests with the adoption and proper understanding of the changed business environment. Moreover young family members need to adopt and mentor their parents as per new environment. This type of mentoring acts as a tool for sustainability and growth of family business in Education sector.

Regulatory: Following are the major observations / findings of Hina Shah based on the effect of policies on enterprise.

Credit: For providing financial and credit support to the whole enterprise, policies have been directly and indirectly applied on same.

Representational: To assess impact and implications on cause of entrepreneurship, overall regulation, process of formulation, implementation of Policies is critically assessed.

Stages of entrepreneurship: When an enterprise grows continuously it has to pass through different stages which are Existence, Survival, Sub-stage, Take-off and Resource Maturation. Based on the level of development, there are various challenges to be faced by an enterprise, categorisation is done on this basis itself. Different perspectives of business like Capacity estimation, size and resource allocation, Business Management, Target Setting are to be dealt with, in different stages of entrepreneurship. Depending upon level of challenge choice of solution is so arrived at. The difficulty arises in facing and sailing through smoothly along with various sub systems and that challenges the motivation level of entrepreneur.

One can classify stages of entrepreneurship purely based on cost and capital required criterion also. From financial perspective these steps are: Start up stage, Expansion and Maturity stages.

Aspirations of entrepreneur to enter education field or diversify in this field are not touched upon so far.

If the educational enterprise is facing severe challenges then it has to figure out its own coping strategies or get professional help to sail through these challenging times. There are several success stories of micro-enterprises turning into Large Scale Enterprises (LSEs) or MNCs. Quite often, a significant proportion of micro-entrepreneurs become successful to the extent of earning satisfactorily or growing into a big organisation. Some others might lack vision and remain stagnant while yet others end up with rapid decline in their business which may be caused by a variety of reasons and close the venture.

The country as a whole is witnessing an extreme uncertainty as the national policies predicted some different scenario but ground realities are turning out to be diagonally opposite. All the projections of Central Government and its commissions are going hey wire. AICTE and similar bodies have turned out to be ineffective in handing the whole issue of Higher Education. Rather it has become a dysfunct body and government is still holding on with this entity for reasons unknown to the country. Stand alone educational institutes are facing the brunt of improper handling of delicate issue of Higher Education. Similar to the threats in matter of Stand alone Cinema Halls of the country faced vis a vis the Multiplex Cinema Halls few years ago. Higher Education in India is also passing through similar situation currently. This matter needs to be addressed with compassion and empathy and needs serious re working of national strategies including restriction of funding from agencies like UGC, Dept of Science and Technology being restricted to only Governmental institutions. Aids for up gradation are only restricted to few govt established colleges / Universities where funds are already available in abundance. Central funds must be diligently channelized to those sectors where there is proper accountability and dire need for same. Instead of frittering away Central Resources towards unproductive and un accountable governmental institutes which find it difficult to utilise them efficiently and effectively and spend the huge budgets allocated to them in unnecessary and frivolous activities which are hardly productive in nature.

Research in these domains shall throw up important pointers regarding behaviour of educational entrepreneurs when exposed to such extremities, as also bring up fresh perspectives about the challenges and possibilities for the planners of developing regions.

Research Objective: The overall research objective has been divided into various subheadings for the purpose of clarity. Based on the study of present research done in the field of
Edupreneurship as well as to develop the framework, research objective is divided into following sub-heads. i. Assess persons opinion, interpretation about entrepreneurship and its relevance. ii. To figure out those reasons which inspire people to take up entrepreneurship. iii. To critically examine the reasons of preference of entrepreneurs regarding the area of Education. iv. To identify the parameters on which an entrepreneur judges the success of his venture. v. To examine the stake holders in each ecosystem which influence the reasons and success of an entrepreneur entering an educational venture and its success. vi. Develop a relationship, keeping in mind actual edupreneurs and edupreneurs in the making, amongst choices, action-plan and motivations of such people. Common parameter being that both real and would be edupreneurs should have similar qualifications and economic class. v. To recommend a framework to encourage sustainable entrepreneurship at in education at different stages of entrepreneurship aspiration, ideation, initiation, initial phase, scaling phase and maturity.

**Research Methodology**

The research methodology adopted for the purpose of this paper is secondary. The set of people under observations will be: Male Edupreneurs, Female Edupreneurs, investors in Educational Enterprises, VC (if any) and aspiring edupreneurs. The source of secondary data is books, articles published in various journals, periodicals, conferences. Today internet plays a very important source of information. Websites and views of individuals on their blogs have been considered. TV is again a very good source of information and same has been used. Personal interactions and interviews of edupreneurs have been considered, specially on business news. Websites like nenglobal.org your story in entrepreneurship.edu.in have been used. Analysis shall be done of information available from reports and websites connected with entrepreneurship incubators of leading educational establishments for finding out how entrepreneurship ecosystem motivates from young age.

Information available through print media about possibility of funds being available for establishing educational institutes have tremendously impacted ventures. Since availability of same becomes a landmark in the journey of entrepreneurial ventures. Interviews of Angel Investors, Venture capitalists opinion about possibility of investment and funding Educational Entrepreneurship and its related fields have been very encouraging.

Based on the Literature Review, the research objective is divided into three sub parts: Motivational factors, Choice of entrepreneurship area and ecosystem.

**Results and Discussion**

**Analysis and Findings:** Based on Secondary research, it is realised that any enterprise goes through various stages before achieving success or dying down from failure. Each stage has different factors which not only affects the enterprise at that particular stage but also builds foundation for further phases. For the purpose of proposing a support framework for development of entrepreneurship in India, it’s very important to analyse the factors affecting the enterprise in each phase.

Entrepreneurship cycle consists of aspiration, Ideation, Initiation, Scaling up and Maturity. Every stage of the entrepreneurship cycle has three aspects: motivation, choice and ecosystem. As there have been increase in the no. Of entrepreneurs at different stages, there is need for a framework with the help of which we can encourage them to pursue sustainable growth. According to this framework, there will be recommendation (based on the profile of entrepreneur) regarding all three aspects of a particular stage.

![Figure-1](image)

For the economic development and job creation family businesses are one of the major contributors in the world economies. But their lack of longevity and changes required by the changing environment is the matter of concern. For educational institutes to survive and deliver good results and benefit the society at large, it is very crucial that proper transfer of expertise in education is passed on from one generation to the other. Next generation could contribute innovative ideas and also help business to cope with the changing business environment. Many a times senior generation owner managers are emotionally attached to the business and therefore it becomes difficult for them to rely on innovative ideas of young generation. Senior generation owner manager believe in their experience than novel ideas from young professional and practical generation. Therefore transfer of some authority and responsibility of the business from senior generation owner manager to young family generation is important. Senior generation owner managers have adopted and are aware about the concept of mentoring and coaching, but for meeting the needs of changing environment there is also a need to understand the dynamics of succession process and accept the process of re mentoring. Growth in educational entrepreneurship is difficult for long tenure, because of maturing markets, intensifying competition and also changing technology. Entrepreneurs become inflexible to changes in business environment and requirement for success. They are particular to
the habits of past success and avoid decisions that might threaten their image or economic security. There are strong chances of conflict among two generations. Other phenomenon worth taking cognisance of is the maturing business life cycle of Educational Enterprise and increased competition. Building the shared vision between two generations for future and reconciling in evitable conflicts becomes difficult, if not impossible. This may lead to downfall in educational venture’s life cycle. This stage is Decline stage of PLC of “Educational Enterprise”.

Micro or mini level Educational stand alone colleges of higher education yield marginal profits but they are often imitable and thus gradually replicated. Low wealth creation has its own type of failure as the individual runs the risk of jumping into easily observable opportunity and thus move inadvertently from lack of employment to poverty. Small edupreneurs are likely to operate on a low level of investment thereby limiting their scales, till a bigger player comes in and takes away the opportunity. An analysis of the income of small edupreneurs of Rajasthan can reveal whether they suffer from the low income scenario.

**Factors that motivate and selections to make while taking decisions:** Various reasons inspire individuals to establish own business which could be related to the individual himself or environment. For success of an enterprise or for individual’s success independence, environment in family, motivation of self play crucial role. Irrespective of family environment, many a young persons have thought about entrepreneurship as a result of advances in digital media, coverage given about successful young persons have thought about entrepreneurship as a result of advances in digital media, coverage given about successful persons. People at least explore it as an alternative option.

Lot of people have started thinking about developing backward areas which lack resources and opportunities because of their attachments with those areas and these persons establish their own enterprises. Some times individuals want freedom and want to continue with their passion. At times enterprise works smoothly but is not able to grow to great heights because of either availability of right manpower or lack of ambition. When individuals find some gaps or have new ideas they start new enterprises as its founders. Sometimes due to lack of planning these new ideas help in creation of new enterprise but not able to scale up the enterprise.

Many a times organisations are not able to grow beyond a certain level after establishment because of dearth of information about available resources and opportunities. There is always a struggle within and entrepreneur whether should he leave his comfort zone and take up further challenges in his venture or settle down after achieving a certain level or scale of operation. That would involve re adjustment of work- life balance

For setting up new venture some entrepreneurs establish partnership with persons having similar thought process. At times decisions regarding whom to partner with, are not taken into account keeping main goal of enterprise but rather based on social and cultural reasons. This may work or not in the long run.

**Ecosystem:** Establishing an enterprise takes time. Its a hilarious task. At various phases of an enterprise development, lot of decisions are required to be taken and ecosystem plays a crucial role in that. There are lot of approvals required and they act as a blockade at every step. There are so many regulations which are not available at one place. They keep popping up every now and then and hamper a lot the process of establishment of a successful educational enterprise. There are many a schemes promulgated by government but there is no proper mechanism available with Government to make people aware about same and providing relevant information at one place. Financial environment / ecosystem and Regulatory ecosystem is not entrepreneur friendly. Investors have difficulty in visualising that an educational enterprise if properly nurtured can become a successful venture.

Lot many a problems which the educational entrepreneurs are facing these days are i. Unreliable and undependable employees, ii. too much competition, iii. Obtaining short term financial capital is getting difficult, iv. Too much Governmental regulation, v. weak Economy, vi. Taking the educational enterprise to heights to get its brand established, vii. Complex and confusing tax structure, viii. Poor transportation facilities

Associations of Edupreneurs of Higher Education have taken up their concerns at Governmental levels and departmental levels, but so far their basic issues have not been addressed. Rather the bureaucratic governmental regime perceives it to be challenge to their authority and hence connives to crush the genuine causes and concerns of small edupreneurs with their might under the disguise of maintaining strict norms to enhance quality of Higher Education. Ignoring the ground realities under which these edupreneurs struggle to help in the noble cause of imparting higher education in this backward state of Rajasthan there by opening vistas of economic growth and opportunities for the state as a whole. Alas the persons occupying various authoritarian positions do not have the foresight to see future growth prospects of the state.

**Recommendations:** Following recommendations are being made for new educational entrepreneurs in India in general and Rajasthan in particular.

**Aspiration:** Students must be motivated during school days to take up entrepreneurship as a possible career option. It should also be added in school curriculum, because at that age children have the zest and energy to explore new ideas. Entrepreneurship can throw few alternatives to them.
There is lot of growth potential in B class and C class cities, what is lacking is the awareness. Workshops regarding edupreneurship can create that level of awareness.

Encouraging the idea of entrepreneurship (scaling up) in Vocational Courses.

**Initiation:** Government can establish in B class and C class cities few incubators of entrepreneurship in colleges which can facilitate mentoring of students and motivate them to take up entrepreneurship.

Government / country should set up Policy at National Level which can implement friendly business environment a must for promulgation of culture of free environment for establishing educational institutes. Necessary modifications in rules / laws must be done accordingly to facilitate such culture.

**Ideation:** There is need to provide a common platform to edupreneurs to discuss and share experiences amongst their community members and join hands for synergistic efforts among budding entrepreneurs, who can work for feasibility and idea generation.

**Scaling Up:** Investors will be available, mentors will be available, VC will also readily fund if a incubator for edupreneurship is created. Operations of such educational ventures can thus be scaled up.

Fund can be created at national level to provide funds to Edupreneurs based on merit of the proposals submitted by them. This fund can be contributed by Venture Capitalists and Government in joint collaboration. These funds must be provided at competitive rate of interest and on flexible terms and conditions.

**Maturity:** A entrepreneur focussed council can work for upliftment of edupreneurs by offering its services for buy-outs, mergers, foreign investments and collaborations. This council can liase with various governmental agencies and provide a supportive role.

**Enhancing Capabilities:** i. Become more technology friendly, establish reputation or honesty, develop ability to manage people. ii. Select good Location, build Charisma and friendliness to customers, obtain appropriate training. iii. Generate satisfactory Government support, develop access to Capital. iv. Develop marketing factor such as sales promotion of enterprise per se, develop strategy to offer services at competitive prices. v. Provide Good customer service, do Smart and Hard work.

**Limitations and Scope for Future:** Future researchers can explore and study quantitatively and propose some kind of framework and enhance effectiveness of this model by incorporating few prominent factors based on their need and relevance. A further study can be taken to analyse different kind of entrepreneurship and propose a supporting framework on the basis of area of operation, amount of capital involved, nature of enterprise etc. Study can be done to analyse the various motivational factors behind the choice of an entrepreneur to become educational entrepreneur (Edupreneur), their chosen areas and role of various specific ecosystems involved in the process.

Many a successful stories might have gone unnoticed because they would not have been covered by any media that could have skipped the attention of researchers. This could be one limitation of this study. This research is secondary, therefore such unreported enterprises couldn’t be analysed. Next limitation is that Socio- Economic Factors are being assumed to be important in the decision making for Educational Entrepreneurship. In our country we have lot of diversity and various social and cultural issues so as researchers we could not take into account all circumstances while constructing this framework.

It is a effort to study and analyse the work already done on important topic of Educational Entrepreneurship and creating a framework which could be supportive in nature for complementing the already available study material and literature on the topic and help in result oriented research in the area of Edupreneurship in Rajasthan.

**References**


