

ENTREPRENEURSHIP AS A MAJOR APPROACH TO SOLVE UNEMPLOYMENT SYNDROME

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Introduction

Unemployment remains a pressing socio-economic challenge, particularly in developing countries like India, where a growing population and a skill-job mismatch exacerbate the problem. This situation has led to economic inefficiencies, increased dependency, and social unrest. With limited traditional job opportunities, especially for educated youth, alternative solutions are urgently needed.

Entrepreneurship offers a powerful pathway to address this crisis. Entrepreneurs not only create jobs but also foster innovation and contribute to national income. Recognizing this, the Indian government has launched initiatives such as **Startup India, Stand-Up India, MUDRA loans**, and **Atmanirbhar Bharat** to support aspiring entrepreneurs with financial aid and skill development. However, awareness and utilization of these programs among students and young professionals remain low.

This study explores how entrepreneurship can serve as a strategic response to unemployment. It examines youth awareness, attitudes, and readiness for entrepreneurial ventures while highlighting challenges and providing recommendations to strengthen India's entrepreneurial ecosystem.

Objectives of the Study

The main objectives of this project are:

- To understand the role of entrepreneurship in addressing unemployment.
- To assess the awareness and interest levels of youth towards entrepreneurship.
- To identify the barriers that prevent individuals from becoming entrepreneurs.
- To analyze the effectiveness of existing government initiatives aimed at promoting entrepreneurship.
- To propose recommendations that can help foster a more robust entrepreneurial ecosystem in India

Limitations of the Study

- The study is limited to a specific geographic region and sample size.
- Responses may be influenced by the personal experiences and awareness levels of participants.

Review of Literature

1. Entrepreneurship and Economic Growth

Schumpeter (1934) introduced entrepreneurs as key drivers of innovation and economic change. Audretsch and Thurik (2001) expanded on this by showing how entrepreneurial activity boosts employment and economic dynamism, particularly in developing regions. Research shows that entrepreneurship not only creates jobs but also fosters competition and technological advancement.

2. Entrepreneurship's Role in Reducing Unemployment

Studies from the Global Entrepreneurship Monitor (GEM) show a consistent inverse relationship between entrepreneurial activity and unemployment rates. As new ventures emerge, they absorb labor, reduce dependency on public jobs, and drive self-employment. In youth-centric economies, entrepreneurship offers a sustainable solution to job scarcity.

3. Indian Context: Opportunities and Barriers

Nair and Pandey (2018) emphasize how schemes like *Startup India* and *Mudra Yojana* have encouraged youth-led businesses. Yet, challenges remain—lack of mentorship, funding barriers, and societal pressure against risk. To maximize entrepreneurship's impact, India must invest in skill development, innovation ecosystems, and policy-level support.

Research Methodology

Data Collection Tool: The research adopts a **descriptive design**, aiming to systematically describe the existing scenario regarding youth unemployment and the rising significance of entrepreneurship as a viable alternative. The study does not seek to establish causal relationships but rather to explore trends, perceptions, and motivations among target respondents.

Sampling Methodology: A **stratified random sampling** technique is used to ensure representation across key demographic groups. Stratification is based on factors like age, education level, and employment status. The survey is expected to include a minimum of 0 respondents to ensure reliability

Analysis Tools: Responses were analyzed using tables to display numerical data and pie charts to visualize trends in financial behaviors, such as investment preferences and budgeting habits.

Data Interpretation:

Some open-ended responses in the study may be subject to varied interpretations depending on the researcher's perspective, potentially affecting the consistency of analysis. Additionally, the limited sample size—due to time and resource constraints—may impact the generalizability and statistical significance of the findings.

Furthermore, as the data reflects a single time frame, it lacks a longitudinal perspective, limiting the ability to observe long-term trends or evolving attitudes toward entrepreneurship and unemployment.

Analysis And Interpretation

This study explores the entrepreneurial mindset of 60 individuals, primarily students, through demographic trends, motivational drivers, challenges, and educational perspectives. The findings provide a comprehensive view of how young individuals perceive entrepreneurship as a means to address unemployment.

Demographics and Respondent Profile

Age Distribution: 55% are aged 18–24, indicating a youthful, student-centric respondent base.

Gender: Perfectly balanced — 50% male, 50% female — ensuring unbiased gender-based insights.

Education Level: 60% undergraduates, 23.3% high school, 16.7% postgraduates — suggesting a largely student population but with varied academic exposure.

Occupation: 65% students, 20% working professionals, 8.3% entrepreneurs, 6.7% unemployed — offering multi-dimensional perspectives.

Entrepreneurial Intent and Beliefs

Entrepreneurship as a Solution: 91.7% believe it reduces unemployment — strong collective support. Interest in Entrepreneurship: 68.3% show interest in starting a business, and 16.7% are open to the idea — indicating high intent.

Top Motivators: Financial independence (58.3%), passion (48.3%), flexible work life (46.7%) — entrepreneurship is choice-driven, not necessity-driven.

Challenges and Gaps

- **Key Challenges**: Fear of failure (60%), lack of capital (58.3%), experience gaps (41.7%) — highlight need for support systems.
- **Family & Policy Barriers**: 31.7% cite lack of family support; 15% cite regulatory barriers.
- **Training Needs**: Only 1.7% flagged curriculum gaps — but qualitative data suggests this is an overlooked issue.

Awareness and Education

- **Program Awareness**: 55% aware of support programs — showing moderate institutional reach.
 - **Practical Curriculum Training**: 75% agree/strongly agree on the need for hands-on entrepreneurship education.
 - **Academic Integration**: Strong support for experiential learning and real-world exposure.
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Summary of Key Trends

- Young, aspiring entrepreneurs dominate the sample, with optimism about entrepreneurship's role in reducing unemployment.
- Motivations are personal and aspirational, not rooted in job scarcity.
- Key barriers include psychological fears, funding, and lack of experience.
- Institutional gaps in awareness and practical training need urgent attention.

Finding

- High Level of Unemployment Among Youth: A significant portion of the respondents, especially from the student and early-career demographic, reported being unemployed or underemployed.
- Strong Interest in Entrepreneurship: More than half of the respondents expressed interest in starting their own ventures, indicating a shift from traditional job-seeking to job-creating mindsets.
- Lack of Awareness About Government Schemes: Despite several government initiatives, many respondents were unaware of schemes such as Startup India, Mudra Yojana, and Stand Up India.
- Demand for Entrepreneurial Education: A majority of students believed entrepreneurship should be introduced as a mandatory subject or skill-based training in colleges.
- Perceived Benefits of Entrepreneurship:
 - Financial independence
 - Flexibility
 - Innovation
 - Social contribution (especially among aspiring social entrepreneurs)

Suggestion:

To Educational Institutions

- Integrate entrepreneurship as a core part of the curriculum across all disciplines.
- Encourage project-based learning, business plan competitions, and startup internships.
- Establish Entrepreneurship Development Cells (EDCs) and Innovation Hubs for student support.

To Government and Policymakers

- Strengthen awareness campaigns about existing startup schemes and how to access them.
- Simplify the application and disbursement process for startup funding and business loans.
- Increase incubation centers, especially in rural and semi-urban areas. To Aspiring Entrepreneurs

- Focus on building a strong skill set in areas like digital marketing, financial literacy, and communication.
- Leverage online platforms, freelancing, and digital tools to start small and grow steadily.
- Seek mentorship through networking events, online communities, or local entrepreneurship forums.

To Private Sector and NGOs

- Partner with educational institutions to provide real-world entrepreneurial exposure.
- Offer micro-grants or fellowship programs to support early-stage entrepreneurs.
- Host events and awareness workshops focused on opportunity recognition and risk management.

Conclusion:

Unemployment remains one of the most urgent and persistent challenges facing nations worldwide, particularly in developing countries like India. With a rapidly growing population and a significant portion of youth entering the job market each year, the pressure to create adequate employment opportunities continues to intensify. Finding meaningful, stable jobs has become increasingly difficult for many young individuals, especially fresh graduates. This causes financial stress and leads to a loss of confidence, underutilization of talent, and even social unrest in extreme cases.

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