

## Understanding the Entrepreneurial Mind-Set of Millennial

Ms. Radha Iyer\*

*Asst Professor Alkesh Dinesh Mody Institute*

---

**Abstract:** Millennials Are Considered To Be The Most Entrepreneurial Generation Among The Workforce. They Are Not Merely Confined To Traditional Career Paths; They Look For Innovative Ways To Combine Profit And Purpose As Illustrated By Concepts Like Social Entrepreneurship. Given The Unique Traits And Characteristics Of This Generation, Understanding And Predicting Entrepreneurial Mind-Set Among Millennials Will Go A Long Way In Facilitating New Venture Creation And Start-Up Culture In The Country. The Paper Is Based On Krueger's View That Entrepreneurs Are Not Born Out Of Luck Or The Right Opportunity. Instead, Entrepreneurship Should Be Regarded As A Result Of Planned, Deliberate Behaviour. In Future It May Be Forced Upon The Individuals Due To The Development Of Artificial Intelligence. For Definitive Results, The Study Of Factors That Lead Millennials Towards Entrepreneurship Must Be Rooted In Theory-And-Practicum Driven Models. Two Such Theory Driven Models Quoted Here Are The Theory Of Planned Behaviour And The Theory Of Entrepreneurial Events. An Integrated Approach Using Both The Models Has Been Used In This Context To Understand The Entrepreneurial Mind-Set Of Millennials. A Pilot Study Has Been Conducted On A Group Of 60 Millennials To Understand Their Entrepreneurial Mind-Set Using The Questionnaire Method. The Findings From The Study Is Used To Determine The Scope And The Nature Of Entrepreneurial Mind-Set Of The Millennials Living In Versova, Mumbai.

**Key Words:** Millennials, Entrepreneurial Mind-Set, Ajen's Theory Of Planned Behaviour, Shapero's Entrepreneurial Events

---

### I. Introduction

Entrepreneurs Are The 'Engines Of Economic Growth'. They Bring Enormous Positive Contributions To A Country's Economic Growth And Social Development. Entrepreneurs Play The Role Of Innovators Who Can Fully Explore The Complete Potentialities Of The Country's Available Resources Of Labour, Technology And Capital. Today, Entrepreneurship Is Regarded As One Of The Best Economic Development Strategies To Develop Country's Economic Growth And Sustain The Country's Competitiveness In Facing The Increasing Trends Of Globalisation (Keat Et Al., 2011).

Entrepreneurship And Small Business Creations Are Cornerstones Of Economic Development Throughout The World. During The Global Summit Held In India, Ms. Ivanka Trump Stated That Women Entrepreneurs Contribution Will Bring 2% Increase In The GDP Of Our Country. The Objectives Of Industrial Development, Regional Development, Regional Growth And Employment Generation Depend Upon Entrepreneurial Development. Entrepreneurs Are, Thus, The Seeds Of Industrial Development, Facilitating Greater Employment Opportunities To The Unemployed Youth, Increase In Per Capita Income, Higher Standard Of Living, Increased Individual Savings, Revenue To The Government In The Form Of Taxation, And Balanced Regional Development (Charantimath, 2007).

Entrepreneurship Is Also Encouraged Through Make In India And Digital India Projects Introduced By The Now Government Of India. All Colleges In Mumbai Set Up An Entrepreneurship Cell In Their Premises In Order To Bring In The Entrepreneurial Thinking In The Youngsters.

Entrepreneurship In India Has Been Traditionally Viewed As Being Solely Under The Influence Of The Ecosystem Of The Economy. Robust Ecosystem Has Been Long Considered To Be Responsible For Promoting And Sustaining Entrepreneurship In The Country. However, It Needs To Be Pointed Out That Development Does Not Occur Spontaneously As A Natural Consequence When Economic Conditions Are Favourable. Also, A Robust Ecosystem Alone Cannot Guarantee High Level Of Involvement Of Individuals In Venture Creation. A Catalyst Of Agent Is Always Needed (Meier And Baldwin, 1975). Identification Of Right Opportunities Is The Key To Sustained Venture Creation.

Global Entrepreneurship Program (GEM) Project Differentiates Between 'Necessity Entrepreneurship' Which Refers To Creation Of Ventures Due To Lack Of Viable Alternatives And 'Opportunity Entrepreneurship' Where Individuals Embark On Venture Creation As They Perceive An Unexploited Business Opportunity. In The Indian Context, The Focus Needs To Be On Opportunity Entrepreneurship This Is Because Necessity Entrepreneurship Has A Positive And Significant Impact (Acs, 2006). Traditionally, Necessity

Entrepreneurship Has Been Largely Favoured In India With Opportunity Entrepreneurship Taking A Backseat. The Latter Needs Serious Attention To Promote Venture Creation Of Large Scale. (K. Satyalakshmi, 2017).

Present Conditions In India Are Found To Favour Venture Creations In The Sectors Like Retail, Technology, Investment Management And E-Commerce Aided By Capital Generation And Resource Gathering Initiatives By Many Public And Private Entities. It Is Suggested In This Paper That Entrepreneurship Development Across The Country May Prove To Be Effective If The Efforts Are Focused On The Millennials. The Millennials Are Not Merely Confined To Traditional Career Paths; They Look For Innovative Ways To Combine Profit And Purpose As Illustrated By Concepts Like Social Entrepreneurship. Given The Unique Traits And Characteristics Of This Generation, Understanding And Predicting Entrepreneurial Mind-Set Among Millennials Will Go A Long Way In Facilitating New Venture Creation And Start-Up Culture In The Country. Studies Facilitate Deep Understanding Of Attitudes And Beliefs Of Millennials Towards Entrepreneurship Will Help In Promoting Venture Creation.

### **Millennials**

Gen Y Or Millennials Refers To Groups Of Individuals Born Between The Year 1980 And 2000. (Hartman And Mccambridge, 2011). Among The Four Generations (Silent Generation, Baby Boomers, Gen X And Gen Y), Understanding The Factors That Influence Entrepreneurial Mind-Set Of The Millennials Is Considered To Be The Most Significant (Koe, 2012).

The Influencing Factors Of Millennials Across The Globe Vary From Region To Region And The Contextual Factors Impacting Indian Millennials Need To Be Understood. In The Indian Context, Post Liberalisation When The Markets Opened Up Saw This Group Impacted By Significant Cultural And Socioeconomic Changes. All These Factors Culminated In Creating Characteristics In The Millennials Like Increasing Demand For Ethical Behaviour, Accountability And Transparency. Encouraging Entrepreneurial Mind-Set Among This Generation Would Result In Intense Entrepreneurial Activity In Diversity Geographic Regions.

This Paper Focuses On Millennials' Entrepreneurial Mind-Set For Two Reasons: 1. Their Proportion (40% Of The Indian Population) Which Is Expected To Swell Significantly In The Next Decade, And 2. The Innovativeness And Risk-Taking Propensity Associated With The Millennials Have Been Identified As Important Factors In Becoming An Entrepreneur (Kolaba And May, 2014). The Choice Of Indian Millennials As Target Population Is Justified By These Two Reasons.

### **Entrepreneurial Mind-Set**

The Key To Promoting And Creating A Culture Of Startups In A Country Or Region Lies In Answers To Three Basic Questions Regarding Entrepreneurship. They Are:

1. Why Is It That Only Some Persons Choose To Become Entrepreneurs But Not Others?
2. Why Is It That Only Some Persons Recognise Opportunities For New Products Or Services That Can Be Profitably Exploited But Not Others?
3. Why Are Some Entrepreneurs So Much More Successful Than Others (Baron, 2004)?

To Address These Questions And Other Issues Involved In Entrepreneurship, Use Of Cognitive Perspective I.E. Involving Conscious Intellectual Activity, Is Advocated. Use Of Cognitive Perspective Automatically Precludes Viewing Of Venture Creation As An Activity Born Due To Accident Of Genetic Proclivity. Instead, The Process Of Entrepreneurship Is Regarded As A Planned, Deliberate Activity. Cognitive Focus Has Produced Impressive Result In The Fields Of Education And Psychology And Is Presently Being Applied To The Complex Process Of Entrepreneurship With Encouraging Results.

Venture Creation Is The End Result Of A Long Process That Begins With Entrepreneurial Mind-Set Formed In An Individual Lead To Entrepreneurial Behaviour That Ultimately Leads To Action Viz., Venture Creation.

Mind-Set Is Subject To A Multitude Of Factors That Are Social, Economic And Cultural In Nature. They Also Depend Upon The Person And Situation. Lack Of Entrepreneurial Intentions May Result In Poor Entrepreneurial Activity In Spite Of Suitable External Environmental Conditions. Focus On Entrepreneurial Intentions Means That Entrepreneurship Is No Longer Considered Only A Case For Strategic Management. From Descriptive Studies Of Earlier Researchers, The Focus Moves On To Psychological Precedence Of Action Leading To Venture Creation. (Bird, 1988).

Entrepreneurial Intentions Behaviour      Action      →      →

## **II. Literature Review**

In The Social Psychology Literature, Mind-Set Is Proved To Be The Best Predictor Of Planned Individual Behaviours, Especially When The Target Behaviour Is Rare, Difficult To Observe Or Involves Unpredictable Time Lags (Kruger Et Al., 2000). Literature Review Reveals That Entrepreneurial Mind-Set

Were Found To Be Impacted By Factors Like Gender, Education, Having Entrepreneurial Parent(S) Or Enterprise (Crant, 1996; And Carr And Sequeira, 2007). There Are A Number Of Studies On Education Affecting Students' Attitude Towards Entrepreneurship (Basu And Virick, 2008). Studies Have Brought Out The Relation Between Entrepreneurial Self-Efficacy (ESE) And Entrepreneurial Mind-Set (Shinner Et Al., 2014). The Relationship Between ESE, Self-Regulation And Entrepreneurial Intentions Using Bandura's Structural Path Model Has Also Been Pursued (Pihie And Bagheri, 2013). Statistically Significant Relationship Among Personality Attributes And Entrepreneurial Mind-Set Has Been Reported By Researchers (Ozaralli And Rivenburgh, 2016). The Influence Of Cultural Dimensions On Entrepreneurs Has Been Widely Studied Using Hofstede Model (Fitzsimmons, 2005; And Urban, 2008).

Mind-Set Of Entrepreneurship Among Youngsters In Versova Region Revealed A Number Of Factors That Can Have Significant Impact (Bhandari, 2008). Part-Time Work Experience, Night Shifts And Social Network Effects Are Found To Be The Strongest In Shaping Entrepreneurial Mind-Set With Equal Impact On Both Male And Female Genders. (Saraf, 2015). The Impact Of Age And Educational Qualification On Entrepreneurial Intent Has Been Studied In Indian Students (Velusamy, 2014).

Analysing Current Researches On Millennials And Their Entrepreneurial Mind-Set, Some Problems Can Be Found. Most Of The Studies On Indian Populations, Though Theory-Based Are Partial Rather Than Comprehensive Analysis Of Reasons Behind Entrepreneurial Intentions. The Focus Is On A Few Factors, While It Is Clear That Entrepreneurship Process Is A Complex One With A Whole Range Of Factors Impacting It At Various Levels And Stages. The Impact Of Each Factor On The Process Of Venture Creation Is Known, But The Interplay Between Variables Is Not Assessed. Also, The Combined Impact Of Several Factors Is Not Merely A Cumulation Of Individual Effects. This Synergy Aspect Needs To Be Analysed And Studied For Overall Understanding Of The Process Of Entrepreneurship.

It Is Suggested That An Integrated Approach That Involves Intention-Based Models Be Used To Assess Entrepreneurial Intentions. Two Main Entrepreneurial Intention Models Have Emerged In The Literature As The Main Theory-Driven Models: The Entrepreneurial Event Theory (Shapero And Sokol, 1982) And The Theory Of Planned Behaviour (Ajzen, 1991). They Have Been Widely Adopted By Entrepreneurial Intention Researchers To Analyse New Venture Creation. Along With Entrepreneurial Intention Model, They Are Used To Understand And Predict Entrepreneurial Intention Of The Target Population, Namely, Indian Millennials.

### **Theoretical Aspects**

For Definitive Results, The Study Of Factors That Lead Millennials Towards Entrepreneurship Must Be Rooted In Theory-Driven Models. Two Such Models Are: The Theory Of Planned Behaviour (TPB) And Theory Of Entrepreneurial Events. The TPB Has Been Successfully Applied To Understanding Consumer Behaviour And Further Applied To Entrepreneurship For Effective Results (Kruger, Carsrud). Shapero And Sokol's Theory Of Entrepreneurial Even Is An Intention-Based Model Aiming To Explain Entrepreneurial Intentions And Better Understand Subsequent Behaviour. An Integrated Approach Using Both The Models Has Been Used In The Indian Context To Understand Entrepreneurial Mind-Set Of Millennials.

### **Ajzen's Theory Of Planned Behaviour**

Ajzen's Theory Of Planned Behaviour Is Widely Used In Psychology To Understand The Behaviour Of Individuals (Kruger And Carsrud, 1993). TPB And Its Precursor, Theory Of Reasoned Action Focus On Theoretical Constructs Concerned With Individual Motivational Factors As Determinants Of Likelihood Of Performing Specific Behaviours (Montano, 2015). Mind-Set To Perform Behaviours Of Different Kinds Can Be Predicted With High Accuracy From Attitudes Toward The Behaviour, Subjective Norms And Perceived Behavioural Control (Armitage And Conner, 2001; Cheon Et Al., 2012; And Koe, 2010) And These Intentions Together With Perceptions Of Behavioural Control, Account For Considerable Variance In Actual Behaviour. Research Works Have Demonstrated That Ajzen's Framework Is A Solid Model For Explaining Or Predicting Entrepreneurial Mind-Set (Kolvereid, 1992).

According To TPB, Human Action Is Guided By Three Kinds Of Consideration:

- A. Behavioural Beliefs (Beliefs About The Likely Consequences Of The Behaviour).
- B. Normative Beliefs (Beliefs About Normative Expectations Of Others).
- C. Control Beliefs (Beliefs About The Presence Of Factors That May Facilitate/Impede Performance Of The Behaviour).

### **Shapero's Entrepreneurial Events**

Shapero's Model Assumes That Inertia Guides Human Behaviour Until Something Interrupts Or Displaces That Inertia. Displacement Can Be Negative Or Positive. Displacement Precipitates A Change In Behaviour And The Decision Maker Seeks The Best Opportunity Available From Her Or His Enacted Set Of Alternatives (Katx, 1992). The Choice Of The Resulting Behaviour Depends On The Relative 'Credibility' Of

Alternative Behaviours (In This Situation To This Decision Maker) Plus Some 'Propensity To Act' (Without Which The Decision Maker May Not Take Any Significant Action).

### **III. Data And Methodology**

A Study Has Been Conducted On A Group Of Millennials To Understand Their Entrepreneurial Mind-Set Using The Questionnaire Method. The Questionnaire Is Prepared Using The Integrated Approach. The Study Intends To Elicit And Analyse The Mind-Set Of Millennials Who Have Some Or Nil Work Experience. The Integrated Approach Is Tested Using A Sample Of 100 Youngsters Of Versova Region, Mumbai. The Questionnaire Contained 12 Items. 60 Responses Were Selected As 40 Contained Irrelevant Information. The First Few Questions Are General In Nature And Aim At Eliciting Background Information Of Respondents Like Age, Educational Qualifications And Work Experience. Gender Of Respondents And Economic And Social Strata To Which The Respondents Belong Were Not Part Of The Sample Study. Hence, They Are Not Included In The Main Study. The Determinant Of Entrepreneurial Mind-Set Were Based On The Integrated Approach And Test Using Questions With 7-Point Likert Scale.

### **IV. Results And Discussion**

#### **Sample Characteristics**

Sample Characteristics Derived From The Study Indicate That All The Respondents Are Millennials. All The Respondents Are Highly Qualified With 35% Being Postgraduates And 45% Being Undergraduates. 20% Possessed Qualification Higher Than Postgraduation. 83% Of Respondents Had Up To 10 Years Of Work Experience. Remaining 17% Claimed To Be Freshers As They Had Joined The Work Only A Few Days Before. In Response To The Question Regarding Their Career Intentions, 38% Revealed Their Intentions To Be Self-Employed. An Opinion That Entrepreneurs Are Made And Not Born Is Expressed By 72% Respondents.

#### **Keywords Associated With Entrepreneurship**

'Risk-Taking' And 'Ambitious' Were The Words Most-Associated By Respondents With Entrepreneurship (Table 1).

<b>Table 1: Percentage Agreement - Overall Positive Evaluation Showing Keywords Associated With 'Entrepreneurship'</b>		
	<b>N = 60</b>	<b>%</b>
Risk-Taker	21	35
Ambitious	14	23
Hardworking	15	25
Motivated	06	10
Successful	03	5
Rich	01	2

#### **Attitude**

The Rating Of Highly Agree, Mostly Agree Or Agree Is Considered Together. Out Of 60, 38 Respondents Agreed With The Statements "If I Had The Opportunity Or Resources, I Would Start A New Venture" And "Being An Entrepreneur Would Give Me Great Satisfaction". Overall 63% Of The Respondents Responded Positively To The Statements (Table 2).

The Percentage Of Positive Response To Other Three Statements, "If I'm Given A Variety Of Options, I Would Choose To Be An Entrepreneur", "A Career As An Entrepreneur Is Very Attractive To Me" And "To Me, Being An Entrepreneur Means More Advantageous" Was 58%, 56% And 53% Respectively. These Figures Indicate That More Than 50% Of The Millennials Chosen For This Study Have A Positive Attitude For Venture Creation.

<b>Table 1: Percentage Agreement - Overall Positive Evaluation Showing Determinants Of Attitudes Of The Respondents</b>		
<b>Attitude</b>	<b>N = 60</b>	<b>%</b>
If I Had The Opportunity Or Resources, I Would Start A New Venture.	<b>38</b>	<b>63</b>
Being An Entrepreneur Would Give Me A Great Satisfaction	<b>38</b>	<b>63</b>
If I'm Given A Variety Of Options, I Would Choose To Be An Entrepreneur	<b>35</b>	<b>58</b>
A Career As An Entrepreneur Is Very Attractive To Me	<b>29</b>	<b>56</b>
To Me, Being An Entrepreneur Means More Advantageous	<b>25</b>	<b>53</b>

#### **Influence Of Family And Friends**

Asked To Choose The Most Probable Reaction From Close Family, Friends And Colleagues. 38 Of The 60 Respondents Expressed Their Opinion That Their Friends Would Show High Approval Or Approval. In

Contrast, Only 30 Respondents Said That Their Close Family Would Show High Approval Or Approval While Only 33 Respondents Remarkd That Their Colleagues Would Show Approval (Table 3). The Findings Align With The Marked Social Bonding That Millennials Possess.

<b>Table 3: Percentage Agreement - Overall Positive Evaluation Showing Determinants Of Influence Of Family And Friends On Respondents</b>		
	<b>N = 60</b>	<b>%</b>
Your Close Family	30	50
Your Friends	38	63
Your Colleagues	33	55

### **Control Over One's Behaviour**

Only 22 Respondents (37%) Showed Overall Agreement That They Can Control The Creation Process Of A New Firm (Table 4). 21 (35%) And 20 (33%) Respondents Respectively Showed Overall Agreement For Their Chances Of Success In Starting The Firm And Awareness Of Required Practical Details Of Starting A Firm. Only 15 (25%) Respondents Were Prepared To Start A Viable Firm And 13 Respondents (22%) Agreed That It Was Easy For Them To Start A Venture And Sustain It. These Figures Indicate That The Respondents Are Apprehensive Of The Process Of Venture Creation And Have Very Limited Knowledge Of The Required Practical Details Needed To Start A Venture.

<b>Table 4: Percentage Agreement - Overall Positive Evaluation Showing Determinants Of Control Over Behaviour Of Respondents</b>		
	<b>N = 60</b>	<b>%</b>
I Can Control The Creation Process Of A New Firm.	22	37
If I Start A Firm, My Chances Of Success Would Be High.	21	35
I Am Well Aware Of The Required Practical Details Of Starting A Firm.	20	33
I Am Prepared To Start A Viable Firm	15	25
It Is Easy For Me To Start A Venture And Continue Working On It	13	22

### **Initiative Taking**

Out Of 60 Respondents, 22 (37%) Each Have Indicated A Determination And Firm Intention To Start A Firm In The Future (Table 5). 38 Respondents (63%) Have Shown Overall Agreement That They Will Make Every Effort To Start And Run Their Own Firms. This Is Indicative Of Strong Entrepreneurial Mind-Set Of The Respondents.

<b>Table 3: Percentage Agreement - Overall Positive Evaluation Showing Determinants Of Initiative-Taking Behaviour Of Respondents</b>		
	<b>N = 60</b>	<b>%</b>
I Am Determined To Start A Firm In Future	30	50
I Have Very Firm Intention Of Starting A Firm Some Day	30	50
I Will Make Every Effort To Start And Run My Own Firm	34	57
I Have Thought Very Seriously About Starting A Firm	30	50
My Professional Goal Is To Become An Entrepreneur	24	40
I Am Ready To Do Anything To Be An Entrepreneur	27	45

## **V. Conclusion**

Based On A Study Conducted On 60 Gen Y Youngsters Of Versova Region, Mumbai, This Paper Analysed The Entrepreneurial Mind-Set Of Millennials And The Determinants. Though There Are A Number Of Determinants, The Study Has Been Restricted To Analysis Of Only Four Determinants. The Results Indicate That The Chosen Group Of Millennials Has A Strong Entrepreneurial Mind-Set.

As Per The Observations Made From The Study, The Employees Have A Positive Attitude Towards Entrepreneurship. A Strong Influence Of Subjective Norms, Especially In Terms Of Friends And Family Is Observed On Entrepreneurial Mind-Set. The Employees' Control Over Their Entrepreneurial Behaviour Is Deeply Impacted By Limited Knowledge Of Practical Details. A More Detailed Study Is Needed To Get To The Roots Of The Lack Of Knowledge. The Employees Are Strongly Oriented Towards Taking Initiatives Which Is Integral To Venture Initiatives And Sustaining.

The Study And The Analysis Support The Argument That Understanding And Predicting Entrepreneurial Mind-Set Of Millennials Can Be Accomplished By Using An Integrated Approach Involving Elements Of Theories Like TPB And SEE.

**References**

- [1]. Acs Z (2006), "How Is Entrepreneurship Good For Economic Growth?", *Innovations*, Vol. 1, No. 1, Pp. 97-107.
- [2]. Ajzen I (1991), "The Theory Of Planned Behaviour", *Organisational Behaviour And Human Decision Process*, Vol. 50, No.2., Pp. 179-211.
- [3]. Kruger N. F. And Carsrud A. L. (1993), "Entrepreneurial Intentions: Applying The Theory Of Planned Behaviour", *Entrepreneurship & Regional Development*. Vol. 5., No.4, Pp. 315-330.
- [4]. Kruger N. F., Reilly M. D. And Carsrud A. L. (2000), "Competing Models Of Entrepreneurial Intentions", *Journal Of Business Venturing*. Vol. 15., Nos. 5-6, September-November, Pp. 411-432.
- [5]. Velusamy A (2014), "Students' Attitudes And Intentions Towards Entrepreneurship In India", Available At [https://www.researchgate.net/publication/262912702\\_Students'\\_Attitudes\\_And\\_Intentions\\_Toward\\_Entrepreneurship\\_In\\_India\\_I\\_SSN0975-9271](https://www.researchgate.net/publication/262912702_Students'_Attitudes_And_Intentions_Toward_Entrepreneurship_In_India_I_SSN0975-9271).
- [6]. Satyalakshmi K. "Understanding The Entrepreneurial Intentions Of The Indian Millennials: A Pilot Study", *The IUP Journal Of Entrepreneurship Development*, Vol. XIV, No. 2., June 2017. Pp. 7-18.