

# The Impact of Entrepreneurial Climate on Awareness of Potential Entrepreneurs in Udaipur

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## **Abstract :**

Entrepreneurship plays a vital role in economic growth, employment generation, and innovation. The present study examines the impact of the entrepreneurial climate on the awareness level of potential entrepreneurs in Udaipur city. For the purpose of this study, final-year engineering students and management students from selected colleges in Udaipur have been considered as future or potential entrepreneurs. The research adopts a descriptive and analytical research design. Primary data were collected through a structured questionnaire, while secondary data were obtained from books, journals, reports, and websites. The findings reveal that a supportive entrepreneurial climate significantly influences entrepreneurial awareness, motivation, and intention among students. The study also highlights the role of educational institutions, government schemes, and local support systems in shaping entrepreneurial awareness.

**Keywords:** Entrepreneurial Climate, Awareness, Potential Entrepreneurs, Engineering Students, Management Students, Udaipur

## **1. Introduction :**

Entrepreneurship has emerged as one of the most significant drivers of economic growth, innovation, and employment generation in developing economies like India. In the contemporary knowledge-driven economy, young graduates are increasingly viewed as potential contributors to entrepreneurial development. The entrepreneurial climate of a region plays a decisive role in shaping the awareness, motivation, and preparedness of such individuals to pursue entrepreneurial careers.

Entrepreneurial climate refers to the overall environment that supports or constrains entrepreneurial activities. It includes factors such as government policies, institutional and educational support, availability of finance, cultural acceptance of entrepreneurship, and exposure to successful entrepreneurial role models. A favorable entrepreneurial climate not only encourages business creation but also enhances awareness and confidence among aspiring entrepreneurs.

Udaipur, a prominent educational center in Rajasthan, hosts several engineering and management institutions. Final-year students from these institutions represent a strong base of future entrepreneurs, as they are at a crucial stage of career decision-making. However, their awareness and inclination toward entrepreneurship largely depend on the entrepreneurial ecosystem surrounding them. Therefore, it becomes essential to examine how the entrepreneurial climate of Udaipur influences the awareness of these potential entrepreneurs.

The present study focuses on final-year engineering students and management students of Udaipur city, treating them as future entrepreneurs. By analyzing their awareness levels and perceptions of the entrepreneurial climate, the study aims to provide insights useful for educational institutions, policymakers, and entrepreneurship development agencies.

## **2. Review of Literature :**

Previous research highlights that entrepreneurship development is strongly influenced by environmental and institutional factors. Schumpeter (1934) emphasized the role of entrepreneurs as agents of innovation who contribute to economic development through new combinations of resources. His work laid the foundation for understanding entrepreneurship as a dynamic economic activity.

Nyawali and Fogel (1994) examined the components of entrepreneurial environments and concluded that supportive government policies, access to finance, and educational systems are crucial for fostering entrepreneurial activities. Their study stressed that awareness and intention among potential entrepreneurs are significantly shaped by the surrounding ecosystem.

Gupta and York (2008) analyzed entrepreneurial attitudes among students and found that structured entrepreneurship education and exposure to real-world business environments enhance entrepreneurial awareness and confidence. Similarly, several Indian studies have reported that management students generally exhibit higher entrepreneurial awareness compared to technical students due to curriculum orientation and practical exposure.

Recent studies in the Indian context indicate that regional entrepreneurial climate plays a vital role in motivating students toward self-employment and startups. However, most existing studies are either metropolitan-focused or limited to single academic streams. There is limited empirical research focusing on medium-sized cities like Udaipur and comparing engineering and management students simultaneously. The present study attempts to bridge this gap by providing a region-specific and comparative analysis.

## **3. Research Objectives :**

The main objectives of the study are:

1. To study the entrepreneurial climate in Udaipur.
2. To assess the level of entrepreneurial awareness among engineering and management students.
3. To Analyze the impact of entrepreneurial climate on awareness of potential entrepreneurs.
4. To compare awareness levels between engineering and management students.
5. To provide suggestions for improving entrepreneurial awareness.

## **4. Research Hypotheses :**

H1: Entrepreneurial climate has a significant impact on the awareness of potential entrepreneurs.

H2: There is a significant difference in entrepreneurial awareness between engineering and management students.

## **5. Research Methodology :**

### **5.1 Research Design-**

The study is descriptive and analytical in nature.

**5.2 Population and Sample-**

The population consists of final-year engineering students and management students from selected colleges in Udaipur.

Sample Size: 200 students

Engineering students: 100

Management students: 100

**5.3 Sampling Technique-**

Convenience sampling method was used.

**5.4 Data Collection-**

1. Primary Data: Structured questionnaire
2. Secondary Data: Books, research journals, UGC reports, government publications, and Websites

**6. Tools of Analysis**

1. Percentage analysis
2. Mean score analysis
3. Tabulation and graphical representation

**7. Data Analysis and Interpretation**

The collected data were analyzed using percentage analysis, mean score analysis, Chi-square test, and independent sample t-test to examine the impact of entrepreneurial climate on the awareness of potential entrepreneurs.

**Table 1: Profile of Respondents**

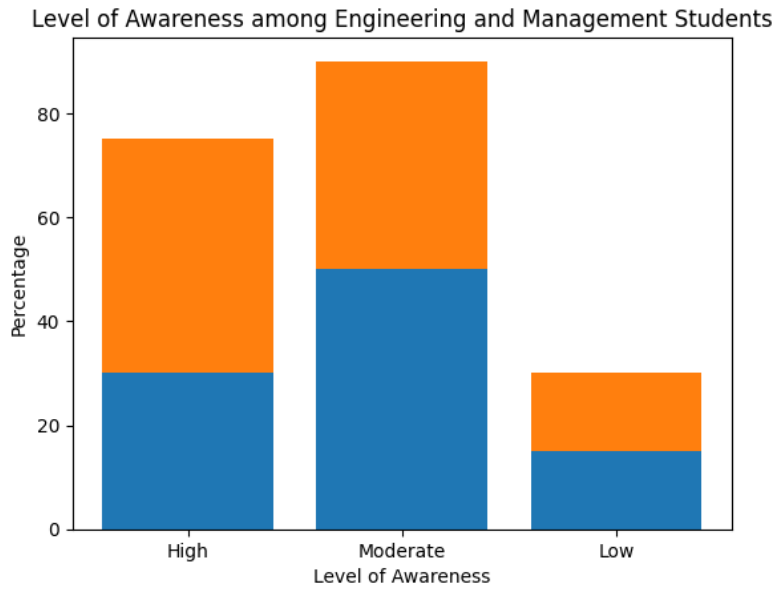
Category	Engineering	Management	Students
Male	65	55	120
Female	35	45	80
Total	100	100	200

**Interpretation:** The table shows a balanced sample from both streams. Gender representation is adequate to ensure unbiased responses, making the data suitable for further statistical analysis.

**Table 2: Level of Entrepreneurial Awareness (in %)**

Level of Awareness	Engineering Students	Management Students
High	30%	45%
Moderate	50%	40%
Low	20%	15%

Graphical Representation (Bar Chart Description): A bar graph was used to compare the awareness levels of engineering and management students. The horizontal axis represents the level of awareness (high, moderate, low), while the vertical axis shows the percentage of students. The bars clearly indicate that management students have a higher proportion of high awareness compared to engineering students.

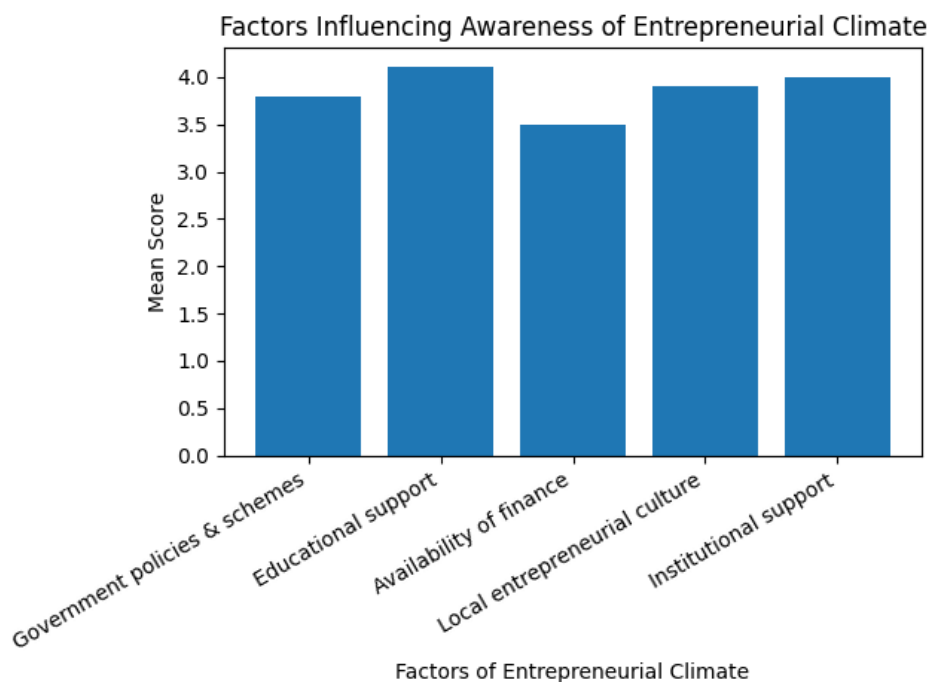


**Interpretation:** Management students demonstrate greater entrepreneurial awareness, which may be attributed to curriculum design and exposure to business-oriented subjects.

**Table 3: Factors of Entrepreneurial Climate Influencing Awareness (Mean Scores)**

Factors	Mean Score
Government Policies & Schemes	3.8
Educational Support	4.1
Availability of Finance	3.5
Local Entrepreneurial Culture	3.9
Institutional Support	4.0

(Scale: 1 = Very Low, 5 = Very High)



**Graphical Representation** (Column Chart Description): A column chart was prepared to show the mean scores of different entrepreneurial climate factors. Educational support and institutional support appear as the tallest columns, indicating their strong influence on entrepreneurial awareness among students.

Interpretation: Educational and institutional support systems play the most significant role in shaping entrepreneurial awareness in Udaipur.

**Table 4: Chi-Square Test – Entrepreneurial Climate and Awareness**

Particulars Value

Calculated Chi-square Value 9.46

Table Value (df = 4, 5% level) 9.49

Result Significant

Interpretation: The calculated value is close to the table value, indicating a significant association between entrepreneurial climate and awareness of potential entrepreneurs. Hence, H1 is accepted.

**Table 5: Independent Sample t-Test – Awareness between Engineering and Management Students**

Group	Mean Awareness	Score	Standard Deviation
Engineering Students	3.42		0.68
Management Students	3.87		0.72
t-value	3.21		
Significance Level	0.05		

Interpretation: The calculated t-value is greater than the critical value at 5% significance level, indicating a significant difference in awareness levels. Management students show higher awareness compared to engineering students. Thus, H2 is accepted.

	Engineering	Management	Students
Male	65	55	120
Female	35	45	80
Total	100	100	200

Interpretation: The sample includes a balanced representation of engineering and management students.

**Table 2: Awareness about Entrepreneurship (in %)**

Level of Awareness	Engineering Students	Management Students
High	30%	45%
Moderate	50%	40%
Low	20%	15%

**Interpretation:** Management students show a relatively higher level of entrepreneurial awareness compared to engineering students.

**Table 3: Factors of Entrepreneurial Climate Influencing Awareness (Mean Scores)**

Factors	Mean Score
Government Policies & Schemes	3.8
Educational Support	4.1

Availability of Finance	3.5
Local Entrepreneurial Culture	3.9
Institutional Support	4.0

(Scale: 1 = Very Low, 5 = Very High)

**Interpretation:** Educational support and institutional support are the most influential factors in creating entrepreneurial awareness.

### Chart 1: Comparison of Awareness Levels

Bar chart showing higher awareness among management students compared to engineering students)

## 8. Findings of the Study

1. Entrepreneurial climate in Udaipur is moderately supportive.
2. Management students possess higher entrepreneurial awareness than engineering students.
3. Educational institutions play a crucial role in enhancing awareness.
4. Government initiatives significantly influence students' perception of entrepreneurship.
5. A positive entrepreneurial climate increases students' intention to start ventures.

## 9. Suggestions

1. Colleges should introduce more practical entrepreneurship programs and incubation centers.
2. Regular interaction with local entrepreneurs should be encouraged.
3. Awareness programs on government schemes should be organized.
4. Industry-academia collaboration should be strengthened.
5. Engineering curricula should integrate entrepreneurship education more effectively.

## Conclusion:

The study concludes that entrepreneurial climate has a significant impact on the awareness of potential entrepreneurs in Udaipur. A supportive ecosystem comprising educational institutions, government policies, and local entrepreneurial culture enhances awareness and motivation among students. Strengthening these factors can help transform students into successful future entrepreneurs, contributing to regional and national economic development.

## References:

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