



RISE IN ENTREPRENEURIAL SPIRIT AND FACTORS DRIVING - WITH REFERENCE TO NAGALAND

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ABSTRACT

Entrepreneurship is one of the four mainstreams of economic factors viz., land, capital, labour and entrepreneurship. The year 1991 which saw economic liberalization in the country has revolutionized businesses completely. It has also led to the rise in a host of entrepreneurs, small and big, who has contributed to the creation of value, and generation of millions of jobs. A few decades ago in Nagaland, people were not keen to pursue entrepreneurship as their career. A beam of hope dawned for aspiring Naga entrepreneurs and has witnessed an increase in entrepreneurs. The study is conducted in Nagaland located in the North East region of India. The focus is in the urban areas in Nagaland and respondents included people who have started their own businesses. Kohima, Dimapur, Mokokchung, Tuensang, Wokha, and Zunheboto were six important towns taken as sample study areas. It was found that there is an urge to start own business among the Naga entrepreneurs. The majority of the respondents preferred entrepreneurship over Government jobs in Nagaland.

Keywords: Entrepreneurship, Naga Entrepreneurs, Motivation, Empowerment.

INTRODUCTION

In any community, the entrepreneur plays a vital role and is the most important productive force in economic growth and progress. The term entrepreneurship is derived from the French word 'entreprendre' during the 17th century, meaning 'to undertake'. Entrepreneurship was regarded as those who undertook the risk of new enterprises. Today, entrepreneurship and entrepreneurs are not just risk-takers, but are innovators and developers who recognize and take opportunities by converting opportunities into marketable ideas and add value through time, money, effort and skills.

The year 1991 saw economic liberalization in our country which revolutionized businesses completely. Since then, India has grown by transforming from a struggling economy to one of the fastest-growing economies in the world. It has also led to the rise in a host of entrepreneurs, small and big, who has contributed to the creation of value and generation of millions of jobs. Entrepreneurship is rapidly becoming one of the most dynamic forces in the development of the country. There are 75.8 per cent of Indian entrepreneurs willing to start a business in current economic environment (Entrepreneurship, 2015). A few years ago, entrepreneurship was not so prevalent among the people of India. The only entrepreneur was most likely a family enterprise or endeavour. However, the current scenario has shifted with youths fearlessly taking risks and the zeal to set the path for an entrepreneurial wave in the country. The entrepreneurial spirit among the Indians has resulted not just in innovation but also gained recognition as the driving force in the market.

NAGALAND

Nagaland is one of the Seven Sisters of India and is located in the extreme North East region of India. The people of Nagaland belong to Mongoloid race. The population consists of several tribes having their own distinctive languages and cultures. The Nagas' speak different distinct Tibeto-Burman languages including Ao, Angami, Sumi, Lotha, Sangtam, Phom, Pochuri, Moa, Rongmei, Pomai, Tangkul, Maram, Zeme and Nagamese Creole. There are 14 tribes which are largely known as Angami, Ao, Chakhesang, Chang, Khemangan, Konyak, Lotha, Phom, Pochury, Rengma, Sangtam, Sema, Yimchunger, and Zeliang.

ENTREPRENEURSHIP IN NAGALAND

In Nagaland, a few decades ago, people were not keen to pursue entrepreneurship as their career. However, the present scenario is different; Nagaland has witnessed a growth in entrepreneurship, especially in locally made food products, fashion, restaurants, handicrafts, and hotels, regardless of the risk involved, disapproval by the family or society, and poor economic condition of the state. Naga entrepreneurs are coming up with simple and small ideas which impact their lives as well as the society. They are bringing a change in the society and breaking the barrier where the youths are taking the path of entrepreneurial venture.

REVIEW OF LITERATURE

Entrepreneurs play a key role in any economy where he/she is an independent thinker and dares to be different. Their contribution to the economy is of immense value. They are the people who possess skills and initiate great new thoughts to the market. They take the right decisions in order to make their idea profitable. Keeping this in

mind, the following literature has been reviewed.

Entrepreneurs are primarily motivated by the need to achieve a certain quality of living standards by maintaining an income which allows them to survive (Marchant, 2011). The aim was to ascertain the reason for starting a business in the field, whether they have flourished, and if their lifestyle goals shifted. The author identified that with time entrepreneurs changed their goals and motivation factors which had resulted in the temporary relegation of the lifestyle motives. But in spite of that their businesses have grown and developed over time. Welter (2011) in his conceptual paper describes entrepreneurship as to make a connection or weaving together. He argues that it is not just the network of finance, information, clients that determine the success of a business, but social networks such as emotional understanding, support, and encouragement from family and friends play a vital role. The author states that through social contacts, one can help an entrepreneur to recognize opportunities. He further states that entrepreneurship is not just social bound, but it is also bound to a location and geographic area.

Francisco (2011) discusses about the perception of an entrepreneur and their intentions when they start own business. The main objective of the study was about the perception and how this influences a person. The author concludes that individual perception, socio-cultural perception and opportunities affect the intention of an entrepreneur. Thornton (2011) argues that even though there has been considerable research based on psychological and economic approaches to entrepreneurs and how entrepreneurs create new businesses and how societies and economies grow and prosper, but the influence of socio-cultural factors on enterprise development remains under study. He concluded that the fundamental attribution error continues to erode in the face of increasing evidence showing that individuals and entrepreneurship are socially embedded in network structures. Yeong (2012) in his conceptual paper emphasized on three roles of entrepreneurs' viz., a key player in introducing a new product, local economy's developer, and local community's regenerator. He says that not all entrepreneurs can be innovative because there are also entrepreneurs who are not innovative such as grocery shop owners. So, he states that there are also entrepreneurs who start a business to earn for them and survive rather than pursuing growth and innovation. Kumar (2012) in his article discusses the perception about entrepreneurship and innovation among people in India. The author focused on the unemployment problem in the country where more than six crore people are well educated but are unemployed. The author stated that with the economic recession in the country, the rate of unemployed is drastically increasing. The author claims that entrepreneurship has been an important agent in solving unemployment problems and global challenges. Maina (2013) says that the training and education are the key to the progress of the nation. But such progress will only occur when people are gainfully employed and per

capita income is enhanced. The author examines how the role of entrepreneurship education could help job creation in Nigeria. He states that entrepreneurship education helps in acquiring skills, ideas and management abilities required for job creation which will subsequently reduce unemployment, poverty and social evils. Mckeever (2014) focused on how entrepreneurs conduct themselves with the place and community. The author stated that recognizing and understanding the place, community and locality help the entrepreneurs to recreate, renew and ratify the identity and purpose of a place. He highlighted that entrepreneurial practices are both constrained and enabled by the social context. It was found that communities can be shaped by entrepreneurship, but communities also shape and form entrepreneurial outcomes.

From the above arguments based out from the previous studies, it is evident that the entrepreneurial spirit is rising across the nation and various factors drive and motivate people to start their own businesses. Thus, the researchers felt the need to study about Naga entrepreneurs.

STATEMENT OF THE PROBLEM

Nagaland has witnessed a surging growth in entrepreneurship over the years, especially in the locally made brand of food products, fashion, restaurants, and hotels, regardless of the risk, disapproval from the family, society, and economic condition of the state. Nagaland is a state where the majority of the people still seek to get Government jobs, but it is not possible for the Government to employ everyone added with corruption in the state where rich people get the job through the back door. So the massive poorer sections of the people are left unemployed. The entrepreneurial spirit among the Nagas is a field that has not been explored much. The zeal to start a business in Nagaland can be very challenging because of lack of capital, skill, knowledge, and infrastructure problems. This paper focuses on the journey taken by the Naga entrepreneurs and what inspired them to venture into this path which was often avoided by the previous generations.

NEED AND IMPORTANCE OF THE STUDY

Being an entrepreneur changes the way a person acts and the way he/she wants to live their life. The present study brings out a brief profile of the people having own business in Nagaland, and influence of Naga entrepreneurs in striving towards entrepreneurship. Thus, the study aims to verify the factors that kindle the entrepreneurial spirit among the people of Nagaland.

OBJECTIVES OF THE STUDY

- To examine the profile of the people of Nagaland having own business.
- To verify the factors driving to start own business among the people of Nagaland.

RESEARCH METHODOLOGY

Type of Research

The study is descriptive in nature. It focuses on the people of Nagaland who are having own business.

Data Collection Instruments

For the collection of primary data, questionnaires and interview method were adopted. The questionnaire has been structured by asking relevant questions based on previous studies. The questionnaire consists of demographic details, and factors motivating Naga entrepreneurs to start own business.

Sample Description

The people of Nagaland who are into entrepreneurial venture were considered as sample respondents. Therefore, it consists of all types of entrepreneurs. All the entrepreneurs considered are those who have a started business for a year and above. The study is limited to six districts/towns in Nagaland.

Sample Size and Sampling Technique

Based on the study, 100 entrepreneurs were chosen from six towns in Nagaland. Out of 100 respondents for the analysis, 86 were chosen for the study. The remaining 14 were not taken into consideration because of incomplete responses. For the collection of data convenient sampling was adopted.

Tools for Data Analysis

The data was tabulated using frequencies and percentages in simple tables for ease of analysis. The hypotheses was tested using one sample t-test through Statistical Packages for Social Science (SPSS) version 20.0.

ANALYSIS AND INTERPRETATION

This section of the analysis and interpretation is divided into two parts viz., profile of Naga entrepreneurs having own business and factors driving and motivating Naga people to start own business.

1. DEMOGRAPHIC PROFILE OF THE PEOPLE OF NAGALAND HAVING OWN BUSINESS

Table 1 depicts the demographic profile of the Naga entrepreneurs such as gender, age, marital status, educational qualification, and experience in the business.

Table 1

Profile of the Respondents

Profile variables	Frequency (n=86)	Percent
Gender:	38	44.2
a) Female	48	55.8
b) Male		

Age:	12	14.0
a) 18-25	37	43.0
b) 26-35	27	31.4
c) 36-45	10	11.6
d) Above 45		
Marital Status:	43	50
a) Unmarried	43	50
b) Married		
Educational Qualification:	1	1.2
a) Illiterate	12	14.0
b) Matriculation	16	18.6
c) Diploma (up to class XII)	35	40.7
d) Graduation	18	20.9
e) Post-Graduation	4	4.6
f) Professional Training		
Experience in the Business (in years)	11	12.8
a) 0-1	37	43.0
b) 2-6	21	24.4
c) 7-11	17	19.8
d) Above 11		

Source: Computed from Primary Data

The following are the inferences made from Table 1.

Gender: It has been observed that the majority of the respondents in Nagaland are male (55.8 per cent), while compared to their counterpart female (44.2 per cent). The percentage of male entrepreneurs in Nagaland is more than female entrepreneurs because women are busy with household chores and taking care of the family. Hence, they do not get much time to devote to an entrepreneurial venture. Moreover, women are usually perceived to be less competent and skilled. However, with the shift in society's perception, Naga women entrepreneurs are coming up fearlessly with confidence and leadership qualities.

Age: From the analysis, it reveals that the majority of the entrepreneurs in Nagaland belong to 26-35 years of age group (43 per cent), who are young adults and most of them have completed their studies in different fields. They are also found to be strong and energetic and can devote time for entrepreneurial ventures. The age group between 36-45 years (31.4 per cent) showed great experience towards entrepreneurship. While the entrepreneurs belonging to the age group of above 45 years (11.6 per cent) are the pioneers of entrepreneurship in the state. They pursued entrepreneurial journey as risky and not worth the effort. The teenagers and youths belonging to 18-25 years of age group are gradually increasing (14 per

cent). They do not have much idea and knowledge about the business, but they show great interest and commitment in their work, thereby showing the traces of entrepreneurial spirit. These young Naga entrepreneurs encourage the younger generation to pursue their career in entrepreneurship.

In Nagaland, job opportunities are very less and it is difficult to get into Government jobs. So, much educated as well as uneducated youths end up being unemployed. Hence, with the rise in entrepreneurs belonging to 18-25 years of age group, it gives the urge and motivation for the youths of the state to pursue something different rather than depending and searching for only Government jobs.

Marital Status: The study shows that the marital status of the respondents is equally proportioned with 50 per cent each of married and unmarried respondents.

Educational Qualification: 98.8 per cent of entrepreneurs in Nagaland are found to be literates with educational qualification up to matriculation, diploma (class XII), graduation, post-graduation and professional training. Hence, most of the entrepreneurs in Nagaland are well educated with decent knowledge and skills in business. Only a small portion (1.2 per cent) is illiterates who cannot read and write simple letters. The study reveals that vast majorities have a degree qualification (40.7 per cent). They are the people who look beyond the horizon and think out of the box because, in Nagaland, most of the people after graduation go for further studies or search for Government jobs.

Experience in the Business (in years): The study reveals that entrepreneurs with the most experience were with above 11 years (19.8 per cent). They are well established and their contribution to the society over the years has been instrumental in the development of the society. The majority 55.8 per cent of the entrepreneurs in Nagaland have experience in business for less than six years. This indicates in the recent years, entrepreneurship has been rising by 12.8 per cent as new start-ups during the year.

2. FACTORS DRIVING TO START OWN BUSINESS AMONG THE PEOPLE OF NAGALAND

This section of the study is divided into two parts to evaluate the factors driving Naga entrepreneurs to start own business.

(a) The first part evaluates the factors influencing people of Nagaland to start own business. The variables such as “independence, survival, contribution to the society, fame/pride, to take care of family, to take care of children, family business, and job security” has been undertaken as the factors influencing the people of Nagaland to start own business. The following hypothesis was formulated and put to test.

H₀₁: There is no urge to start own business among the people of Nagaland

H_{a1}: There is an urge to start own business among the

people of Nagaland

Table 2

Factors Influencing the People of Nagaland to Start Own Business

Factors Influencing	T	DF	P value
To be independent/ freedom	12.280	85	.001
For survival/ necessity	6.748	85	.001
To contribute to the society	5.741	85	.001
To take care of family	4.238	85	.001
To take care of children's education	1.753	85	.083
Family business	1.753	85	.083
Job security	2.744	85	.007

Source: Computed from Primary Data

Table 2 depicts the factors that influence Naga people to start own business. The test reveals that the p-value of the variables “to be independent/ freedom, for survival/ necessity, contribute to the society, take care of family and job security” are 0.001 which is less than the p-value of 0.05. Therefore, the alternate hypothesis is accepted. This indicates that there is an urge to start own business among the people of Nagaland.

However, the p-value of variables such as “to take care of children's education and family business” is 0.83, which is more than the p-value of 0.05. Therefore, we conclude that these two variables do not urge people of Nagaland to start own business.

(b) The second part assesses the motivational factors that are instrumental in arousing the entrepreneurial spirit among the people of Nagaland. The variables such as “participation in social events, improvement in standard of living, ability to afford nutritious food, family and relatives, friends, competitors, internet, willingness to take risks and others ” has been viewed as some of the factors that have led to the arousal of entrepreneurial spirit among the people of Nagaland. The following hypothesis was formulated and put to test.

H₀₂: Entrepreneurial Spirit is aroused among the people of Nagaland.

H_{a2}: Entrepreneurial Spirit is not aroused among the people of Nagaland.

Table 3

Factors Motivating Entrepreneurial Spirit to Start Own Business

Factors Motivating	T	DF	P value
Participation in social events	22.979	85	.001
Improvement in standard of living	25.405	85	.001
Ability to afford nutritious food	25.193	85	.001
Family and relatives	6.259	85	.001
Friends	4.743	85	.001
Competitors	2.744	85	.007
Internet	1.753	85	.083
Willingness to take risks	37.836	85	.001
Others	8.571	85	.001

Source: Computed from Primary Data

Table 3 depicts the p-value of the variable 'internet' is 0.083, which is more than the p-value of 0.05. This indicates that the internet as a motivational factor does not arouse an entrepreneurial spirit among the people of Nagaland. However, the study further reveals that p-value of other variables "participation in social events, improvement in standard of living, the ability to afford nutritious food, family and relatives, friends, willingness to take risks and others (interest and skills)" are 0.001 and variable competitor is 0.007, which is less than the p-value of 0.05. This indicates that there is a significant difference in respondents' opinions. Hence, the alternate hypothesis is accepted and confirms that entrepreneurial spirit is aroused among the people of Nagaland.

MAJOR FINDINGS

- The majority (43 per cent) of the entrepreneurs in Nagaland belongs to 26-35 years of age group. 11.6 per cent of the entrepreneurs are above the age of 45 who are the most senior entrepreneurs in Nagaland. Male accounted for 55.8 per cent, while the women accounted for 44.2 per cent.
- 98.8 per cent of entrepreneurs in Nagaland are found to be literates with educational qualification up to matriculation, diploma (class XII), graduation, post-graduation and professional training. Hence, most of the entrepreneurs in Nagaland are well educated with decent knowledge and skills in business.

- It was found that the urge to start own business among the Naga entrepreneurs are influenced by factors such as independence, survival, contribution to the society, taking care of family and job security.
- The motivating factors that are instrumental in arousing the entrepreneurial spirit among the people of Nagaland are participating in social events, improvement in the standard of living, the ability to afford nutritious food, family and relatives, friends, willingness to take risks and others (interest and skills).

CONCLUSION

The rise in entrepreneurs in Nagaland has sparked a sense of motivation and zeal for the younger generation in following the path of entrepreneurship. It has also led to job creation solving the unemployment problem in the state. The study examined the profile of Naga entrepreneurs and the factors that influenced and motivated them to start own business. Nagaland has witnessed an increase in entrepreneurial spirit and the younger generation formed the majority. The status of unemployment in Nagaland has improved since most of the people preferred entrepreneurship over the Government jobs leading to varied job opportunities.

FUTURE SCOPE FOR STUDY

The study is confined to few districts/towns in Nagaland. A larger sample could be collected to get a real picture of the status of entrepreneurship in Nagaland.

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