IMPACT OF CULTURE IN INDIAN HIGHER EDUCATION ON ENTREPRENEURSHIP

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Abstract: *The article explores the impact of culture in Indian higher education on entrepreneurship. The higher education institutions have an important role to play in preparing future business leaders and entrepreneurs. The study evaluates the power distance, individualism and masculinity variables in private and public universities in north India along with association of these variables with entrepreurship index. The data of private and public universities was collected through questionnaire to analyze the culture in higher education sector. The results show existence of high power distance, and individualistic tendency in both private and public universities. Moderate masculinity was witnessed. High power distance has been associated with low critical thinking and entrepreneurial tendency. The higher education policy makers should address the issue by reducing the power distance and developing the questioning attitude to encourage entrepreneurship among graduates.*

Keywords: *Higher Education, Entrepreneurship, Power Distance, Individualism, Masculinity*

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INTRODUCTION:

India is undergoing a phase of transformation in social, political and economic parameters. The demographic profile of the country is favorable for economic prosperity and productivity as 50% people are below 25 years of age and 65% people are below 35 years of age (Bhattacharya, 2012). The human capital is the most important element of economic growth in the current era of knowledge economy. The young demographic profile has the potential to transform the country into an economic superpower. But the concern is ability of the higher education system to equip them with the required skills and attributes. The global competition requires critically thinking business leaders and employees. These skills are dependent on efficacy of higher education system and cultural factors.

There is more emphasis on rote learning. There is need to develop intellectual skills with the ability to think critically and independently. Higher education also faces the challenge of developing entrepreneurial skills, balancing creative intuitive thinking with analytical thinking. Institutions need to develop a lifelong learning mindset in the graduates to produce successful and socially responsible business leaders.

ENTREPRENEURSHIP:

The history of entrepreneurship education within India's higher education system can be traced back to the early 1960s. The government of India first felt the need for entrepreneurship development and it has decided to identify individuals from all sections/communities who have entrepreneurial talent, to motivate them and to train them for risk-bearing activities. A countrywide movement known as the Entrepreneurship Development Program (EDP) appeared around the same time, mainly designed for the less educated people. Different organizations are involved in mentoring, coaching, creating a social network to promote entrepreneurship. National Entrepreneurship Network (NEN) is engaged with 470 institutes, with more than 70,000 members in 30 cities (Wadhwani-foundation, 2014). The Indus Entrepreneurs (TIE) is also engaged in mentoring entrepreneurs. "TIE-ISB Connect" is an event which provides a platform for interaction between venture capitalist, entrepreneurs, and others professionals (Tieisbconnect, 2014).

USA has 1400 incubators, China and Korea have 800, and 400.According to The Indian STEPS (Science and Technology Entrepreneurs' Park) and Business Incubation Association (BIA) India has only 100 incubators (Balachandran).

In Indian entrepreneurial ecosystem less money is directed at start-ups who are looking to turn raw ideas into functioning Institutions can promote entrepreneurship to make the education as a tool for economic development. There exists a real need for greater interaction between educational environments and external organizations so that current business thinking and entrepreneurial experience can be introduced into schools.

NEED FOR ENTREPRENEURSHIP:

There is a need to find new jobs at the rate of 9 million per year so that 44 million new jobs can be created between 2015 and 2020 (Goswami, 2014). Entrepreneurship is a viable alternative to create jobs for the millions.

India can harness the demographic dividend by skill development efforts. High impact entrepreneurs make a difference to their economy. Promoting and encouraging entrepreneurs in emerging markets is a way to develop those economies and create a better world to live in.

Post graduate professionals form a minority among the entrepreneurs as shown in table 1. Industry experts are also of the opinion that among the issues for developing entrepreneurial talent education and training, and culture is on the top, as shown in table 2.

Table 1 Educational Characteristic of Entrepreneurial Individuals

	Autonomous start up	Owner Managers	Intrapreneurial Individuals	Business Angels
Illiterate	27.2	10.8	21.7	16.2
Literate but no formal schooling	16.8	16.1	17.5	10.3
Schooling Up to 4 years	13.8	23.8	17.5	22
Schooling Up to 5to 9 years	14.1	24.6	14.2	20.6
SSC/HSC	16.9	13	13.3	8.8
Graduate	5.8	8.2	7.5	16.2
Post Graduate-General	5.1	2.7	6.7	5.9
Post Graduate-Professional	0.4	0.6	1.7	-

Source: Global Entrepreneurship Monitor

Table 2 Significant Issues Mentioned by National Experts

S. No.	Issues	No. of Mention
1	Education and training	65
2	Cultural and social norms	56
3	Barriers to entry	35
4	Financial support	34
5	Government Policies	31
6	R&D transfer	19
7	Commercial & professional infrastructure	10
8	Access to physical infrastructure	10
9	Corruption	5
10	Government Programmes	4
11	Networking	3
12	Bureaucracy	3
13	Lack of competitiveness	1

Source: Global Entrepreneurship Monitor

OBJECTIVES:

1. To study the significance of entrepreneurship
2. To study the association of culture and entrepreneurship.

RESEARCH METHODOLOGY:

The descriptive approach was used for the study. The primary data was collected through a questionnaire. The respondents were faculties teaching in private and public universities in north India. The respondents were asked to give their opinion on culture in higher education with regard to faculty management and student faculty interactions. The questions were asked on a 5 point likert scale. Scale of 1 referred to strongly disagree and 5 referred to strongly agree, while 3 signified neutral. The data was analyzed through mean and correlation with the index values of power distance, individualism, masculinity and entrepreneurship index. The score developed by Hofstede have been used for power distance, individualism, and masculinity. The entrepreneurship rank of Globescan is considered for country comparison. The survey data of private and public universities is used for comparison between the two types of universities using t test.

CULTURAL FACTORS:

Indian culture restricts risk taking for first generation and relies on getting a job with status and better salary. They believe that peace of mind can be achieved from spiritual calm rather than from materialism. People in India are more sensitive to emotional affinity in the workplace than to work and productivity. Family life in India is more important.

The findings of a survey with business owners in India suggest that management education is not an important driver of entrepreneurial attitudes (Gupta 1992). Entrepreneurs cannot be taught through passive learning approaches based on knowledge transmission. The important role of education in promoting entrepreneurial attitudes and behaviors is now widely recognized (European Commission cited in HEEG, 2009). It is important to manage tacit knowledge, which is in the mind of the knower; an organization needs to manage its structure, culture, and processes, so as to promote an environment of learning and creativity.

Hargadon 2010 argued that teaching entrepreneurship is not for chosen few, but as a set of skills every student must acquire. The author recommended that ability to connect, network, finding the best fir for customers, ability to rapidly build and test experiments, knowing what you know and what you don't know. All these are higher order analytical skills which can be nurtured in a culture of low power distance.

Shane 1992 cited in Brown and Ulijn, 2004 argued that low power distance, low uncertainty avoidance, high masculinity, high individualism may stimulate entrepreneurship. On the other hand social legitimation perspective proposes that entrepreneurship is determined by differences in values and beliefs between population as a whole and potential entrepreneurs. When potential entrepreneurs are dissatisfied with the existing structure they leave the mainstream organizations and start their own ventures. Thus countries with high power distance, high uncertainty avoidance, low masculinity, and low individualism may have more entrepreneurship (Verheul et al. 2004).

Hennessey 2008 argued that entrepreneurship should be promoted in India to overcome economic problems.

Chand and Misra 2009 realized the role of teachers as social entrepreneur. Such teachers develop innovative practices that are suited for specific problems. Such teachers create

social value. Such teachers can develop entrepreneurship among students by becoming a role model for social entrepreneurship.

Ramachandran, quoted in Rai 2009 argued that women give in too easily, which can be addressed by management and entrepreneurship training.

Turner 2007 argued that business process outsourcing and IT boom has opened up many opportunities for budding entrepreneurs in India.

FINDINGS AND DISCUSSION:

The feedbacks from 326 faculties were analyzed using mean. The mean score for faculty management power distance was obtained as 4.08 and 4.04 (5 point scale) for private and public universities respectively as shown in table 3.

Table 3: Comparison of Culture in Private and Public Universities

Particulars	Private Universities	Public Universities	Sig. Value (t test)
Faculty-Management Power Distance	4.08	4.04	0.606
Student-Teacher Power Distance	4.07	3.97	0.250
Masculinity	3.6	3.82	0.020
Individualism	4.1	3.94	0.059

Source: Survey Data

The findings show prevalence of high power distance among faculty and management. Similar results were obtained for student faculty interactions. The mean for private universities was obtained as 4.07 and for public university it was 3.97. The results show high power distance between student and faculty. The results of t test show that there is no significant difference (at 5% level of significance) between power distance, and individualism in private and public universities (P value obtained is more than 0.05). However it was found that significant difference exist between masculinity in private and public universities (P value less than 0.05). The public universities are more masculine than private universities.

Though it may have historical and mythological background, time has come when the students should be encouraged to think critically and question the status quo. The change would be slow and faculties may show some resistance when their authority would be questioned academically. But the management of institutions has to play a role of change agent by taking the faculties in confidence and ensuring that the process is slow and steady.

The mean score on masculinity was obtained as 3.6 and 3.82 for private and public universities respectively. The results show moderate level of masculinity. The individualism was found to be marginally higher with a mean of 4.1 and 3.96 in private and public universities. The results are consistent with the findings of Hofstede. Hofstede 2014 argued that though India is a masculine cuture, it has an influence of spirituality which restricts people from indulging in Masculine displays to the extent possible. It was argued that a high score on Masculinity indicates that society will be driven by competition, achievement and success. Hofstede referred individualism as the degree of interdependence a society maintains among its members (Hofstede, 2014). Hofstede found intermediate level of individualism in India with a score of 48.

Table 4: Entrepreneurship Culture Profile

Countries	Entrepreneurship Friendly Rank	Power Distance	Individualism	Masculinity
USA	1	40	91	62
Canada	2	39	80	52
Germany	8	35	67	66
Indonesia	19	78	14	46
China	22	80	20	66
India	20	77	48	56

Source: Globescan, Hofstede Country Score

High power distance is associated with poor entrepreneurship friendly rank as shown in table 4. The positive correlation of 0.943 is obtained between entrepreneurship friendly rank and absolute power distance. Assuming low power distance to represent rank of preferred power distance it can be concluded that preferred power distance is positively associated with better entrepreneurship friendly rank. Power distance shows a negative correlation of -0.855 with individualism. The power distance also shoes weak negative correlation of -0.057 with masculinity. Entrepreneurship friendly rank shows a strong negative correlation of -0.924 with individualism. Entrepreneurship friendly rank shows a mild negative correlation -0.094 with masculinity.

The findings suggest power distance and individualism to be important cultural variable associated with entrepreneurship.

Thus it is concluded that high power distance in Indian higher education is a potential restriction in development of critical thinking and entrepreneurship in India. Higher

education policy makers need to develop the framework that reduces the power distance and supports development of innovation, critical thinking and willingness to question the status quo.

CONCLUSION:

Entrepreneurship has a key role to play in the economic development of India. Higher education institutions have an opportunity to contribute in developing entrepreneurs by developing curriculum and teaching methods that ensures active participation of students and promotes critical and lateral thinking. The power distance should be reduced by encouraging students to challenge the status quo and rewarding students for critical thinking by changing the assessment and marking methodology to give more weightage to critical thinking aspect rather than reproduction of facts. Higher education institutions may find it difficult to change the individuality and masculinity aspects of graduates. But the universities can provide a platform for ambitious students to establish a network with the venture capitalist, industries and researches to transform their business ideas into successful business ventures.

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