



# Empowering Young Entrepreneurs: Key Factors Driving Success in India

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## ABSTRACT

Looking into the factors that lead to successful entrepreneurship among adolescents as found in this study, points out organizational, financial, environmental, individual, and motivational aspects of a venture. The cross-sectional method was used to survey 50 respondents. It emerged from the findings that while participants acknowledged the importance of organizational and financial matters, they also appreciated how vital motivation and environment are for entrepreneurs' success. This study focuses on developing a holistic strategy that considers both external and internal variables influencing youth entrepreneurship. This study is based on empirical research.

**Key Words:** Youth Entrepreneurship, Success Factors, Organizational Factors, Financial Factors, Environmental Factors, Motivational Factors.

## 1. Introduction

The study focuses on the factors that support success in the entrepreneurship of young people both within and outside their organizations. The study's dependent variable is entrepreneurial success and the sampling technique used is convenience random sampling. The study therefore sampled fifty entrepreneurs to investigate innovation, economic growth, and societal transformation among these young entrepreneurs. In addition to promoting economic development and social advancement through juvenile entrepreneurship, policies should be developed that encourage and maintain entrepreneurial activities by young adults. It is necessary to appreciate the features seen in successful youth enterprises when developing policies and supportive structures for fostering and sustaining entrepreneurship to contribute towards economic and social growth. The paper thus provides insight into what constitutes key success factors that can help policymakers, educators, and community leaders when it comes to empowering or supporting younger entrepreneurs.

### Need for the study

The need to study youth entrepreneurship stems from its potential to cultivate innovation from the ground up, equipping the next generation with the skills, knowledge, and independence necessary to thrive in an increasingly complex world. By examining the role of youth in entrepreneurial success, identifying the key factors that contribute to this success, and proposing policy measures to enhance it, this study seeks to underscore the importance of empowering young individuals to pursue their entrepreneurial ambitions.

### The Need for Youth Entrepreneurship in India

In India, youth entrepreneurship functions as a major driving force of innovation, economic growth, and social change. Young people represent a significant and growing demographic in India and have the potential to play a significant role in the country's economic development. With over 626 million people aged under 25, India's youth demographic has a unique opportunity to inspire a new generation of entrepreneurs who can advance social and economic change.

### Innovation and Economic Growth

Entrepreneurship is fundamentally based on innovation. By questioning the established quo and establishing new markets, young entrepreneurs bring new ideas and creative solutions to the table. Innovation is crucial to maintaining economic growth in a rapidly changing world economy. Youth entrepreneurship helps with this by creating new goods, services, and business models to satisfy changing customer demands.

In India, where traditional methods and practices have frequently failed to adequately serve the demands of the populace, the need for innovation is especially pressing in sectors like education, healthcare, and agriculture. Since they aren't afraid to try new things and take chances, young entrepreneurs have a great opportunity to lead innovation in these fields. By adopting new technology and methodologies, they may develop solutions that are not only more effective and efficient but also more inclusive and available to all societal sectors.

Youth entrepreneurship has an economic impact that goes beyond just starting new companies. Through their businesses, entrepreneurs create jobs, increase GDP, and promote economic growth. Entrepreneurship provides a route to job creation and economic development in a nation like India, where unemployment is still a major issue, especially for young people. Young people can lessen the burden of underemployment and unemployment by launching their enterprises and providing work not only for themselves but also for others in their communities.

### **Social Change and Empowerment**

Youth entrepreneurship is not just about economic growth; it is also a powerful tool for social change. Young entrepreneurs have the potential to address some of the most pressing social challenges facing India today, such as poverty, inequality, and lack of access to essential services. Through social entrepreneurship, young people can develop innovative solutions to these challenges, creating businesses that are both profitable and socially responsible.

For instance, social companies that aim to improve impoverished communities' access to clean electricity, inexpensive healthcare, and education can significantly improve the lives of millions of people in India. Young entrepreneurs can aid in bridging the wealth gap, advancing social justice, and improving society as a whole by attending to these pressing demands.

Furthermore, entrepreneurship empowers youth by providing them with the means and instruments need to assume responsibility for their own destiny. It helps young people develop resilience, self-assurance, and independence so they may overcome obstacles and follow their aspirations. In a nation where traditional career options are sometimes restricted, especially for individuals from underprivileged origins, entrepreneurship presents a different path to achievement and personal fulfillment.

### **Agents of Change in the Entrepreneurial Ecosystem**

The younger generation in India can significantly alter the entrepreneurial ecosystem. They are better suited to welcome innovation, investigate novel concepts, and question-received wisdom because of their vivacity, inventiveness, and flexibility. An inclusive and vibrant entrepreneurial ecosystem in India that is better suited to meet the demands of the twenty-first century can be developed if more young people take up entrepreneurship.

India can fully utilize the potential of its young population by encouraging an entrepreneurial culture among its youth. This necessitates giving young people the support they require to succeed in addition to encouraging them to launch their businesses. This covers financial resources, networks of support, mentorship, and access to education and training. India has the potential to produce a new generation of business leaders who can propel social and economic transformation by supporting the uprising of young entrepreneurs.

### **Opportunities for Youth Entrepreneurship in India**

India's rapidly expanding economy and demographic dividend make it an ideal environment for young people to start their businesses. One major advantage of the nation is its youthful and sizable population, which provides a big reservoir of skill, creativity, and enthusiasm that may be directed toward business endeavors. In addition, young entrepreneurs have never-before-seen chances to create and grow their firms thanks to the development of digital technology, rising internet usage, and government initiatives towards a digital economy.

### **Growing Domestic Market**

India's expanding domestic market is one of the biggest prospects for young entrepreneurs in the nation. The middle class is growing at a rapid pace, which is driving up demand for many different products and services. Young businesspeople can take advantage of this expanding market by creating cutting-edge goods and services that meet the changing demands and tastes of Indian consumers.

The emergence of digital platforms and e-commerce has increased the opportunities accessible to youthful entrepreneurs. With the help of online marketplaces, startups can effectively expand their consumer base without having to make substantial upfront investments in physical infrastructure. Because of this, young entrepreneurs from all around the nation can now participate in the digital economy and access markets more widely.

Furthermore, young entrepreneurs have the opportunity to create companies that reflect these principles thanks to Indian consumers' growing knowledge of and adoption of sustainable and socially conscious products. For example, young entrepreneurs can benefit from the increased demand for eco-friendly products, organic foods, and ethical fashion by developing brands that appeal to consumers who are socially concerned.

### **Technology Sector**

India leads the world in technology, boasting a robust IT sector and expanding startup ecosystem. Young people can start their businesses in many different ways in the technology industry, especially in fields like software development, e-commerce, mobile applications, and artificial intelligence. Young business owners are in a good position to take advantage of these chances to develop creative solutions and grow their companies because they are familiar with digital trends and technologies.

The government's drive for digitalization, demonstrated by programs like Digital India, has increased the opportunities in the technology industry. The rise in smartphone adoption, increased internet penetration, and growing acceptance of digital payments have made the atmosphere favorable for tech-driven enterprises. New software, mobile apps, or e-commerce platforms that meet the demands of local and international markets can be created by young entrepreneurs.

Furthermore, there is enormous potential for tech-driven innovation in rural India; the technology sector is not just found in cities. Young entrepreneurs can create digital solutions to solve the particular problems that rural communities confront, like financial services, healthcare, and educational opportunities. They can develop scalable and long-lasting solutions that drastically alter rural India by utilizing technology.

### **Social Entrepreneurship**

Social entrepreneurship is another area where young entrepreneurs can make a significant impact. India faces numerous social challenges, including poverty, hunger, lack of access to education and healthcare, and environmental degradation. Social entrepreneurs use business principles to develop innovative solutions to these challenges, creating ventures that are both profitable and socially responsible.

Young entrepreneurs are particularly well-suited to social entrepreneurship, as they are often driven by a strong sense of purpose and a desire to make a positive difference in the world. By starting businesses that address social and environmental issues, they can contribute to the sustainable development of their communities and the country as a whole.

For example, social enterprises focused on providing affordable healthcare services in rural areas, improving access to quality education for underprivileged children, or promoting sustainable agricultural practices can have a profound impact on the lives of millions of people in India. These ventures not only generate social value but also create economic opportunities, providing jobs and income for those involved.

Social entrepreneurship also offers young entrepreneurs the opportunity to build businesses that align with their values and passions. In a world where consumers are increasingly looking for brands that are socially responsible and environmentally friendly, social enterprises have the potential to capture a growing share of the market.

### **Challenges Facing Youth Entrepreneurs in India**

While there are significant opportunities for youth entrepreneurship in India, young entrepreneurs also face several challenges. These challenges can hinder their ability to start and grow successful businesses, and addressing them is essential to unlocking the full potential of youth entrepreneurship in the country.

#### **Access to Finance**

Getting financing is one of the biggest issues facing India's youth entrepreneurs. Capital is necessary to launch a business, yet many budding entrepreneurs lack the funds to support their endeavors. Young entrepreneurs frequently find it challenging to get traditional funding sources, including bank loans, especially if they lack collateral or a history of successful company ventures.

Other forms of funding include venture capital and angel investment; however, these are primarily concentrated in urban regions and target technology-driven enterprises. It may be especially difficult for young entrepreneurs in rural areas or those employed in industries like social enterprises or agriculture to obtain the capital they require.

More equitable and easily accessible finance options for young entrepreneurs are required to address this situation. These could include crowdfunding sites that are tailored to the requirements of young entrepreneurs, microfinance, and government-backed lending programs. More financial knowledge and literacy are also required to support young entrepreneurs in navigating the challenges of financing their ventures.

#### **Lack of Mentorship and Support Networks**

Young entrepreneurs need networks of mentors and supporters to succeed, but many in India do not have access to these resources. Mentorship offers young entrepreneurs support, direction, and guidance from seasoned business executives, assisting them in overcoming the obstacles associated with launching and expanding a company. Incubators and accelerators are examples of support networks that give aspiring business owners access to tools, guidance, and contacts to help them succeed.

More mentorship and assistance programs that are specifically designed to meet the requirements of young entrepreneurs are required in India. These include incubators and accelerators that promote companies in industries including healthcare, education, and agriculture, as well as mentorship programs that pair up young entrepreneurs with seasoned business leaders in their field.

In conclusion, young people's entrepreneurship plays a critical role in India's innovation, social transformation, and economic growth. The nation's sizable and vibrant youth population is essential to propelling major progress in a range of fields, from social services to technology. However, to reach their full potential, young entrepreneurs must overcome obstacles like lack of funding, mentorship, and industry expertise. India can enable its youth to succeed as entrepreneurs by providing an environment that is encouraging and includes resources, money, education, and mentorship. In addition to promoting economic growth, this empowerment will pave the way for a more inclusive, egalitarian, and sustainable future in which youth leaders spearhead significant social change. To ensure that India's economic progress is distributed to all societal strata and to contribute to long-term national prosperity and global competitiveness, youth entrepreneurship must be successful. Furthermore, encouraging young entrepreneurs to be innovative and resilient will better prepare them to face the difficulties of a constantly changing global market. India can foster a generation of leaders who are not just economically capable but also socially conscious by placing a high priority on young entrepreneurship, paving the way for an inclusive future. Together, we can ensure that India's progress is inclusive, sustainable, and reaches even the most marginalized people. This will help India's standing internationally.

#### **Objectives of the study**

To study the role of youth in entrepreneurial success

To identify the factors needed for entrepreneurial success

To give policy measures to improve entrepreneurial success

## Review of literature

Entrepreneurship is defined as the process of generating value for workers, risk, and rewards and encouraging employment growth and market expansion with the objective of increasing the competitive advantage of a nation through funding and selective profit-seeking activities [1]. Most entrepreneurs experience three stages of the business life cycle: idea generation, job satisfaction, and business operations management. The odds of growth and success of a new company undertaking depends upon external as well as internal factors [2]. Since entrepreneurship instigates social and economic development in many social science subjects like economics, sociology, anthropology, management, etc., the topic of entrepreneurship is very important. Almost all the students respond that they wish to work after their graduation. They lack the guts to dare and start one of their own. The students of today will comprise the future foundation of any nation; therefore, it is necessary to transform fear or hesitance into thriving, passion-filled, world-changing businesses. Most of the scholars have isolated net profit, capital growth, turnover, market size, clientele, competitive aggression, organizational dynamism, and competitive settings as key features that would define success in an entrepreneurial venture. Moreover, it is found that the secret behind entrepreneurial success lies in the ease with which the entrepreneur sails through the five stages of concept development, opportunity evaluation, planning, firm formation, and launch and growth. I have read articles about what drives people to become entrepreneurs, such as fear of losing their job, fear of being unemployed, availability of resources, mentorship, and support networks, family and social support, and family businesses [7-9]. The study focuses on training programs as a pedagogical method that promotes the confidence, creativity, and initiative of students. It may also involve some components like motivation, coaching, learning by doing, developing skills, networking, and cultivation of mindset [10,11].

## Research Methodology

Based on the positivist philosophical framework, the research applies a deductive method to theory testing. This study shall apply a mono-method of data collection, with surveys as the primary tool for data collection. In such a way, to ensure that all of the data has been obtained at one single point in time, data will be collected throughout a cross-sectional timeframe. A random sample size of 50 respondents was selected to ensure that the sample is truly representative. The data was collected by human data collectors throughout 4 weeks. The data so obtained will be subsequently treated using quantitative methods of analysis.

## Hypothesis

H<sub>0</sub>: There is no awareness of key factors influencing entrepreneurial success among youths

H<sub>1</sub>: There is awareness of key factors concerning entrepreneurial success among youths

## Discussion

**Table 1: Gender of respondents**

Gender	Number of respondents	Percentage
Male	35	70%
Female	15	30%
Total	50	100%

**Table 2: Age of respondents**

Age	Number of respondents	percentage
Above 18	10	20%
Above 21	30	60%
Above 25	10	20%
total	50	100%

**Table Components of Entrepreneurial Success**

Components	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
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<b>Environmental Factors</b>	25	15	5	3	2	50
<b>Organisational Factors</b>	27	16	5	1	1	50
<b>Individual Factors</b>	24	17	6	2	1	50
<b>Financial Factors</b>	26	16	5	2	1	50
<b>Motivational Factors</b>	25	17	6	1	1	50

#### F.TEST

To perform an F-test on the data in the table, we need to assess the variances across the different factors (Environmental, Organizational, Individual, Financial, and Motivational). The F-test will help determine if there are significant differences in the variances among the factors.

The F-test results show an F-statistic of `0.0` and a p-value of `1.0`.

#### Interpretation:

F-statistic of 0.0: This indicates that there is no variation between the group means of the different factors.

P-value of 1.0: This is much higher than any conventional significance level (e.g., 0.05), meaning there is no statistically significant difference in variances among the factors.

In summary, the F-test suggests that the variances across Environmental, Organizational, Individual, Financial, and Motivational factors are not significantly different. This implies that respondents have similar levels of agreement with these factors.

### Findings, Results, and Analysis:

#### 1. Gender Distribution of Respondents:

The majority of the respondents are male, comprising 70% of the total sample (35 out of 50 respondents).

Female respondents make up the remaining 30% of the sample (15 out of 50 respondents).

This indicates a significant gender imbalance among the respondents, with males being more predominant.

#### 2. Age Distribution of Respondents:

60% of the respondents (30 out of 50) are above 21 years old, making this the most common age group.

20% of the respondents (10 out of 50) are above 18 years old.

Another 20% of the respondents (10 out of 50) are above 25 years old.

The age distribution suggests that a majority of the respondents are in the early adulthood stage, particularly between 21 and 25 years old.

#### 3. Components of Entrepreneurial Success:

##### Environmental Factors:

50% of respondents (25 out of 50) strongly agree that environmental factors are crucial for entrepreneurial success. An additional 30% (15 out of 50) agree, while only 10% are neutral, and 10% disagree to some extent.

The strong agreement indicates that most respondents consider environmental factors to be vital for success.

##### Organizational Factors:

54% of respondents (27 out of 50) strongly agree that organizational factors are important for entrepreneurial success. 32% (16 out of 50) agree, and 10% are neutral.

Only 4% of respondents disagree or strongly disagree, suggesting that organizational factors are highly valued.

##### Individual Factors:

48% of respondents (24 out of 50) strongly agree with the importance of individual factors for success. 34% (17 out of 50) agree, while 12% are neutral.

A small minority of 6% disagree or strongly disagree, indicating that individual factors are also seen as critical by most respondents.

##### Financial Factors:

52% of respondents (26 out of 50) strongly agree that financial factors are key to entrepreneurial success.

32% (16 out of 50) agree, and 10% are neutral.

6% of respondents disagree or strongly disagree, reinforcing the importance of financial stability in entrepreneurship.

#### **Motivational Factors:**

50% of respondents (25 out of 50) strongly agree that motivational factors are crucial.

34% (17 out of 50) agree, and 12% are neutral.

Only 4% of respondents disagree or strongly disagree, highlighting that motivation is widely recognized as a fundamental component of success.

#### **Overall Insights:**

Results indicate that financial factors are closely followed by organizational factors, which all receive the highest level of strong agreement. This interprets to mean that the respondents consider the structural and financial issues of entrepreneurship to be very important. The vast majority of the surveyed believed in the importance of environmental and motivational factors, and they commanded a great deal of respect. Individual variables rank somewhat lower than organizational and financial factors, but nevertheless. The results of the questionnaire do indicate that all these factors are very important for the success of an entrepreneurial venture, tending to be more concerned with the organizational and financial factors.

In summary, the F-test suggests that the variances across Environmental, Organizational, Individual, Financial, and Motivational factors are not significantly different. This implies that these factors have similar levels of agreement among respondents.

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### **Suggestions**

**1. Policy Support:** Institutions and governments ought to come up with policies that would aid access to funding, mentorship, and training opportunities for young entrepreneurs. This could help alleviate some of the risks associated with starting a new company.

**2. Programs in Education:** Training can be provided to the youth by introducing entrepreneurship education in schools and institutions with the relevant information and skills needed. Such programs shall involve practical themes such as marketing, leadership, and financial management.

**3. Mentorship Networks:** Such mentorship programs will help young entrepreneurs with the guidance and support needed to overcome the challenges involved in starting up and running a business enterprise. This can be achieved through skilled businesspeople bridging the gap between what is taught in the classroom and how to apply it in real life.

**4. Accessibility of Resources:** This should also include access to resources such as capital, technology, and market knowledge. In many ways, the availability of resources represents a very real opportunity enhancer for young entrepreneurs who often cannot finance a startup.

**5. Community Involvement:** This is the development of a supportive and encouraging community so that young entrepreneurs can pursue success initiatives. Community-based initiatives in support of regional entrepreneurship will help develop a robust ecosystem, further stimulating innovation.

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### **Conclusion**

The research findings concluded that young people believe organizational and financial aspects in entrepreneurship are the most important for success. Results show that, while the environmental and motivational factors play a great role in this support, a holistic approach is needed to make it an effective help for young entrepreneurs. This way, policy-makers, schools, and communities create a new spirit of successful entrepreneurship that will spearhead innovation and economic growth by solving key challenges and offering general support. The success of young entrepreneurs forms the backbone of inclusive and sustainable development, which also contributes to social cohesion and the economy.

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