



Education And Entrepreneurship: Relationship Between Education And Entrepreneurial Performance

Lalhunthara*

*Associate Professor, Department of Commerce, Pachhunga University College, Aizawl, Mizoram ph. 8416047659,
Email lhtharanew@gmail.com

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ABSTRACT

Micro and small enterprises have been playing a predominant role in the socio-economic development of the country. They are considered as growth engine growth engine that triggers developmental process. Besides solving the problems of unemployment and poverty, it helps to generate additional family incomes. It helps them to acquire entrepreneurial ability and at the same time obtain economic independence. Though some progress in industrial development was experienced and the micro and small enterprises are gradually gaining momentum especially those service industries in Mizoram, the growth of industry and industrial development in the state is relatively slow owing to its topographical and geographical disadvantages. Power supply, transport and communication, water supply and lack of raw materials and skills, inter alia played a significant role towards hindering industrial development. The state has no major industries worth mentioning and as such micro and small enterprises play a prominent role in the economic development of the state. The existing forest and natural resources can be utilised more efficiently by strengthening the micro enterprises in the state thereby creating employment opportunities. In this article, we will explore the importance of education in entrepreneurship and how it can help individuals succeed in the business world. This paper, based on a study of 406 micro and small enterprises in Aizawl district, Mizoram.

Keywords: Micro and small enterprise, entrepreneurs, entrepreneurship, education

Introduction

While studying the socioeconomic characteristic of entrepreneurs, it was considered important to evaluate the level of formal education because the formal education has always been considered as an important plus-point of an individual in building his entrepreneurial career. The formal education not only helps in gaining the required knowledge for a job which demands non-traditional skills but also imparts knowledge about the different occupational opportunities. The communication skills, technological innovations, production efficiency and marketing capability of an entrepreneur mainly depend on his/her educational level (Meher and Sahoo, 2008). In Mizoram, the formal education is looked upon as a means to improve one's socioeconomic position in the society. People have now aware of the importance of education in the development of human resources. If one rejects the notion that investment in education must be productive, then he should also be prepared to reject the goal of rapid economic progress (Frederich and Myres, 1968). The lack of education has proved an inhibitor to the progress of entrepreneurs and has compounded their problems (Ramaswamy and Jyoti Kumar, 2010).

The beginning and spread of education in Mizoram was mainly due to the hard labour and sincere efforts of the western missionaries who came to Mizoram not long after the annexation of the land by the British in 1890. The history of education in Mizoram started with the coming of two Christian missionaries, Rev.J.H. Lorrain and Rev. F.W. Savidge who arrived at Aizawl, on the 11th January, 1894. Immediately they erected a small hut on a suitable hillock, now called Mac Donald Hill at Aizawl. In this humble hut they began their first mission of imparting education to the Mizo people. In the beginning of 1895 they ventured to prepare

Mizo alphabet in Roman script. Few Mizo began to learn the preliminary lessons in this hut. The then Superintendent of Lushai Hills, Col. J. Shakespeare erected another hut for the hostel near Fort Aijal (Aijal was the previous name of Aizawl). The hostel accommodated only few learners mainly the chiefs and the sons of the chiefs. The two missionaries however stayed only for four years and returned to their country in December 1897. During their four years stay in Mizoram the missionaries started preparation of Dictionary of the Lushai Language. They were succeeded by another missionary, Rev. D.E. Jones in 1897 (Lalhmuaka and T.Chawma, 2000).

One had to go outside Mizoram to pursue higher studies against odds and difficulties as there had not been any way of doing beyond Middle School level, and that was afforded only by a few wealthy people. The nearest High School had been the Government High School at Shillong (Meghalaya) which required about a 180 km by boat to reach the nearest railhead from Aizawl. With a steady progress and growing demand of students for higher studies, the first High School in Mizoram called Mizo High School was started in 1944. In spite of the benefits of Mizo High School, one's ambition for higher studies above matriculation was still to be met and even the bright ambitious matriculated students could not proceed further. A generation elapsed between the first high school and the opportunity of having a college. The main difficulty thereof being the disadvantageous just after the Second World War immediately following the departure of the British from India followed by independence with the vexed political atmosphere in Mizoram at that time (Lalhmuaka, 1981).

During that time, Mizoram continued to be one of the districts in Assam state and a desire for an institution of higher education became intensely great among Mizo people. So, in and around nineteen fifties (1950's), the educated Mizo people and the then students raised a concerted stronger voice for an immediate start of a college, pressurizing government authorities. The matter was brought to the Deputy Commissioner and the authorities of the District Council. While there had been three colleges in Shillong, there was no sign of efforts for college in Mizoram. The voice of the demand for higher means of studies became louder and louder. To look for a way of having a college, an Organising Board was formed in 1957 appointing the Deputy Commissioner as the Chairman thereof. It was fortunate that there came in 1958 a new Deputy Commissioner, Mr Lawrence Sing Ingti at Aizawl. He was an officer giving great importance to education, having been actually an instrument for establishing the college. Then, on the 15th August 1958, the Indian Independence Day, the Deputy Commissioner Mr L.S. Ingti inaugurated the first college in Mizoram called Aijal College. This college is now called Pachhunga University College. At present there are 21 colleges in Mizoram, out of which 9 are in Aizawl.

The Progress in education in the state is because of the part played by the government and partly because of the active participation of the community. There has been much development in education during the recent years especially in the Primary and Middle level of education with the execution of various educational programmes by the state government such as Hindi education, continuing education for neo literates, adult education, promotion of science education, and non formal education and by the implementation of SSA programme by the national government. As per the latest census in 2011, Mizoram attained the second highest position in terms of literacy in the country. As per the assessment made by India Today Magazine, in September 2007, Mizoram was placed at the top of the small states in primary education.

Education aimed at bringing out the best from man and thereby helping the development of a nation. Development of a nation is in turn the development of man. Man means his resourcefulness. Resourcefulness means initiative to find new and better ways and the plan to look for opportunities and turn them into reality. This is the relationship between education, entrepreneurship and development. Education is the best source of development of man's resourcefulness which makes him well balanced. Education is not for making people wealthy but for productive and for making people an asset and not a liability (Gangadhara Rao N, 1986). This is the importance of education for entrepreneurial development.

It is in this background, it is ascertained that the educational level of the entrepreneurs by the examinations they have passed or the degrees they have obtained from schools and colleges. The level of education has been indicated into five broad categories – illiterate, school, college, university, professional.

Objective and methodology

The objective of this paper is to study the educational level of micro and small entrepreneurs in Aizawl district, Mizoram. Since it is an exploratory study, it is mostly based on primary data collected from the entrepreneurs of micro and small enterprises. As per the Economic survey, Mizoram(2019-20), there were 2718 registered small scale industries in Mizoram, out of which 2027 were in Aizawl district (1914 were in Aizawl urban and 113 were in Aizawl rural). Precisely all these enterprises constituted the population from which the sample for the purpose of the present study had to be chosen. The number of entrepreneurs

engaged in activities like manufacturing, printing/publications, food processing, handlooms, tailoring etc are found to be abundant in Aizawl district of Mizoram. Almost 75% of the registered enterprises (2027 out of 2718) are located in Aizawl district. Therefore, it was thought that Aizawl district represents the whole of Mizoram. The size of the sample was fixed at 20% of the enterprises in Aizawl district. Accordingly, a total of 406 tribal enterprises (383 enterprises in Aizawl urban and 23 enterprises in Aizawl rural) were covered. Then the sample was drawn by using random sampling technique. However, in the course of identifying the sample enterprises in the field study it was found that some of the enterprises were either non-functional or closed units. In such instances, those sample units were selected randomly again.

Information from the sample entrepreneurs was collected by administering a schedule. Data were collected at the place of work of the entrepreneurs. The data thus collected were further supplemented by unstructured interviews with the entrepreneurs. The sample units, drawn on the basis of random sampling technique, fall under seven groups of business activities as shown in table 1. They are: food processing, wooden, repair services, steel/metal, printing/publication, handloom, tailoring.

Discussion

The educational level of entrepreneurs is shown in the following table

Table 1

Entrepreneurs' educational level			
	Educational level	No. of entrepreneurs	%
1	Illiterates	25	6.2
2	School	281	69.2
3	College	83	20.4
4	University	15	3.7
5	Professional	2	0.5
	Total	406	100.0

Source: Field survey

From table it could be observed that 69.2 per cent of the entrepreneurs had completed higher secondary education in a school and one-fifth of the entrepreneurs had education up to college. It is observed that most of the enterprises were promoted by school level educated entrepreneurs as more than two-third of the enterprises were owned by them. Only 6.2 per cent of the entrepreneurs (25 out of 406) were illiterate. In this case, their low level of formal education did not act as a barrier to their entrepreneurial career. However, the literacy rate in case of Mizoram is far better off compared with the national average. Census data indicates almost 90 per cent of literacy rate in case of Mizoram against the national average of 65.38 per cent in 2001. Moreover, Aizawl district earned the reputation of the most literate district of the country. In a similar study conducted by R.C. Dangwal and Kailash Saklani (2002) among the women entrepreneurs in Chamoli district of Uttar Pradesh revealed that 34 per cent of them were illiterates. In the present study, only 0.5 per cent (2 out of 406) had professional education.

Most of the parents send their children to schools with the intention of preparing them for government jobs. In a less developed N.E state like Mizoram the first choice for educated youth is government job because of assured and regular income. But with the growing population and increasing number of educational institutions in the state, a large number of graduates are being produced by these institutions every year. It is not possible for any government to provide employment in government services to all the educated youth. Fortunately there are a few institutions like polytechnic, ICFAI and DoEACC where students can study many job oriented professional courses. Such institutions foster entrepreneurship among the students. It is to be noted that the Mizoram state government has enforced the New Industrial Policy of Mizoram since 2000. Under this policy the new and existing business units can avail incentives and various types of subsidies. It is also expected that this industrial policy of the state encourage the educated youth to take up entrepreneurial venture of large size.

Conclusion

Education plays a crucial role in entrepreneurship, providing individuals with the knowledge, skills, and competencies necessary to start and grow successful businesses. Through education, entrepreneurs can acquire a solid understanding of business principles, develop essential skills, and access valuable resources and networks. While there are challenges and limitations to consider, the benefits of entrepreneurship education are numerous, and it can contribute to economic growth and development. By investing in

entrepreneurship education, we can empower individuals to pursue their entrepreneurial aspirations and create successful businesses that drive innovation and job creation

In the present study it cannot be said that entrepreneurship finds no place among educated youth as about one-fourth of the entrepreneurs in the present study were graduates or postgraduates. However, it is to be noted that about one-fourth of sample entrepreneurs were either illiterates or having formal education upto school only. It is to be noted that formal education background enables the entrepreneurs to understand and handle the problems in business in an efficient manner. Besides, in an economy where opportunities are few, education plays a significant role in shaping aspirations, ambitions, and a sense of achievement among entrepreneurs.

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