



# Analytical Study On Factors Shaping The Skill Development Towards Entrepreneurial Mindset Among Generation Z – Study Limited To Chennai City.

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## ARTICLE INFO

## ABSTRACT

The landscape of entrepreneurship is undergoing a dynamic transformation, influenced by the energetic and tech-savvy Generation Z. As this demographic group joins the workforce, they bring unique traits and ambitions that are distinctively shaping the future of entrepreneurship. This study aims to explore the factors influencing skill development that contribute to an entrepreneurial mindset among Generation Z in Chennai, India, and to examine the relationship between these factors. Employing a convenience sampling method, the research surveyed 380 Gen Z individuals through a Google Forms questionnaire from October to December 2023, analysing the data with SPSS v26.0 through exploratory factor analysis and correlation coefficients. The research identified five key factors—Entrepreneurial Attitude, Entrepreneurial Personality, Entrepreneurial Career, Entrepreneurship Education, and Entrepreneurial Intention—that significantly influence the entrepreneurial mindset among this demographic. Correlation analysis showed strong positive relationships among these factors, particularly between Entrepreneurial Education and the other factors, indicating a closely knit framework that fosters an entrepreneurial mindset. The findings suggest that fostering positive attitudes towards entrepreneurship, coupled with relevant education and personality development, can significantly enhance entrepreneurial intentions among Gen Z. This research contributes valuable insights into the development of educational and policy strategies aimed at nurturing entrepreneurship within this young demographic, highlighting the importance of a supportive ecosystem in cultivating the next generation of entrepreneurs.

**Keywords:** Entrepreneurship, Generation Z, skill development.

## INTRODUCTION:

The entrepreneurial landscape is increasingly being reshaped by the vibrant and technologically savvy Generation Z, a demographic cohort that is entering the workforce with distinct characteristics and aspirations. These young individuals, born into a world of rapid technological advancements and shifting socio-economic paradigms, harbor a unique blend of ambition, creativity, and resilience. In Chennai city, a burgeoning hub for startups and technological innovation, understanding the myriad factors that influence the skill development and entrepreneurial attitude among this generation is crucial. The analytical study unravels the intricate web of factors that mold their skill development and ignite the flames of entrepreneurial spirit. The focus remains firmly fixed on Chennai city—a microcosm where dreams collide with reality, and where the seeds of innovation find fertile ground. Join the journey as the roles played by education, family dynamics, and societal influences in shaping the entrepreneurial mindset of Chennai's Gen Z are explored.

## Factors Shaping Entrepreneurial Attitude Among Chennai's Gen Z Education as the Catalyst

Education acts as the cornerstone for Gen Z's journey toward entrepreneurship. In Chennai's bustling educational institutions, young minds absorb not only theoretical knowledge but also practical skills—coding, design thinking, and problem-solving. The fusion of academia and experiential learning ignites the spark of innovation, nudging them toward entrepreneurial pursuits.

### Family Dynamics: Nurturing Risk-Takers

Chennai's Gen Z is fortunate to inherit a legacy of resilience and enterprise. Families, often deeply rooted in business traditions, instill values of hard work, adaptability, and calculated risk-taking. The dinner table conversations echo tales of both triumphs and failures, fostering a mindset that embraces challenges as stepping stones toward success.

### Societal Influences: Breaking Conventions

Chennai, with its rich cultural tapestry, provides Gen Z with a paradoxical canvas. On one hand, tradition and conservatism prevail; on the other, a burgeoning start-up ecosystem thrives. The clash of these worlds fuels rebellion—the audacity to question norms, disrupt industries, and forge new paths. Gen Z's affinity for social media amplifies their reach, allowing them to build personal brands and connect with like-minded visionaries. In this dynamic interplay of education, family, and societal context, Chennai's Gen Z emerges as a force to be reckoned with—an army of innovators, dreamers, and change-makers. As they navigate the labyrinth of possibilities, they redefine entrepreneurship, infusing it with purpose, sustainability, and a dash of audacity.

## LITERATURE REVIEW

**Jagannathan et al. (2017)** addressed the escalating issue of youth unemployment worldwide, a concern that had garnered significant attention from global organizations and policymakers alike. As a strategic response to this pressing problem, the promotion of youth entrepreneurship emerged as a promising solution. The research focused on understanding how attitudes conducive to entrepreneurship developed among the youth, based on an analysis of data collected from 185 respondents. The study adopted a nuanced method to analyse the influence of two key elements on the creation of entrepreneurial attitudes: acquisition of human/social capital and a spectrum of personality traits. By doing the utilisation of a probit model, results showed the fact that variables such as prior labor market expertise, social influence garnered through volunteering activities, when the ecosystem of social connections established by families substantially forecasted a predisposition regarding entrepreneurial endeavours. Conversely, personality traits played a comparatively minor role in shaping entrepreneurial attitudes. The implications of these results were further explored, emphasizing the formulation of strategies aimed at fostering entrepreneurship among the youth as a viable strategy to address the high rates of youth unemployment.

**Greeni et al. (2022)** stressed the importance of entrepreneurship as an economic engine for job creation and the need for graduates to embrace self-employment. The study attempted to synthesise the factors impacting entrepreneurial intentions (EI) among tertiary students, first identifying the most investigated components in the literature and then identifying the least studied factors. The systematic review reviewed studies from 2005 to June 2022 and used citation analysis to find the 36 most influential studies. Seven themes (factors) determined EI: cognitive, personality, environmental, social, educational, contextual, and demographic. The Theory of Planned Behaviour (TPB) model and cognitive aspects dominated this research. Over half of the studies were conducted in Asia, highlighting the need for more research in Africa, America, and Europe, as well as comparative investigations. The report suggests future research and practitioner implications.

**Liao et al. (2022)** stated that entrepreneurial intention drives creativity, innovation, and performance in organisations, but there is no complete framework incorporating the important influential components. The study analysed entrepreneurial intention's essential antecedents, mediators, and moderators using planned behaviour and social cognitive career theories. To test the hypothesis, 89 primary studies with 51,919 samples were meta-analyzed. Entrepreneurial expertise impacts cognitive antecedents differently for young venture entrepreneurs. In particular, personal attitude and self-efficacy predicted entrepreneurial intention. Demographic factors like age, gender, and educational background significantly moderated the relationship between cognitive antecedents and entrepreneurial intention, showing that men are more likely to be entrepreneurs than women, older people with more positive attitudes are more likely to start ventures than younger ones, and those with higher education tend to be less self-employed. These findings are useful for academics extending and validating these findings and for professionals building entrepreneurial behaviour programmes.

Teemor et al. (2022) examined the potential determinants of entrepreneurial intentions (EIs) among business students, including the impact of entrepreneurship education (EE) and entrepreneurial passion (EP) in inventing and founding, as well as the mediating role of attitude towards entrepreneurship (ATE) and university support. Stratified random sampling was used to pick 377 business students from nine Punjab, Pakistan, universities to complete a seven-point Likert scale close-ended questionnaire. PLS-SEM assessed the study's model and hypothesis. Besides EP for founding, every independent variable directly affected EI,

according to the study. ATE significantly mediated the independent factors and EI relationship, while perceived university support positively moderated the association. The study's novelty and value emphasise the need for legislative changes to immerse students in corporate environments and provide university support. It advises Pakistan's Minister of Education and the Higher Education Commission (HEC) create university programmes that improve EE. The empirical data help policymakers create effective entrepreneurial policies.

Entrepreneurship education (EE) and entrepreneurial passion (EP) (inventing and founding), along with attitude towards entrepreneurship (ATE) and university support, were examined as potential determinants of entrepreneurial intentions (EIs) among business students by Anjum et al. (2023). A stratified random sample of 377 business students from nine Punjab, Pakistan, universities completed a seven-point Likert scale closed-ended questionnaire. Partial least square structural equation modelling (PLS-SEM) evaluated the model and assumptions. EI was directly affected by all independent variables except EP for founding. It was revealed that ATE significantly mediated the link between the independent variables and EI, while perceived university support favourably moderated this relationship.

**Gokulnath et al. (2023)** examined Gen Z university students' entrepreneurial goals in India, stressing entrepreneurship's importance in national development. The analysis highlighted the Indian government's Startup India drive to build an entrepreneurial ecosystem. A self-designed questionnaire was used to assess 112 undergraduate students from management, commerce, political science, visual communications, and psychology about their entrepreneurship attitudes. The results showed that 83.9% of respondents wanted to start their own businesses. Factor analysis using SPSS 29 discovered key characteristics that drive Gen Z's entrepreneurial mentality, helping comprehend Indian young entrepreneurial goals. This study emphasises the need to foster entrepreneurial mindsets among youth to advance the nation's development.

#### **RESEARCH GAP:**

The existing literature on entrepreneurial intentions (EIs) among Gen Z in Chennai, as well as broader studies, offers a comprehensive understanding of the factors influencing entrepreneurship, including education, family dynamics, societal influences, and support mechanisms. However, a research gap emerges when considering the specific impact of technological proficiency and digital platforms on the entrepreneurial intentions and capabilities of Gen Z in Chennai. While studies have explored the roles of education, passion, and support systems in fostering EIs, there is a limited exploration of how Gen Z's inherent digital savviness and their use of social media and other online platforms contribute to their entrepreneurial journey. This generation's ability to leverage technology for networking, branding, and crowdfunding, among other aspects, could significantly influence their entrepreneurial success. Furthermore, the cultural and socioeconomic context of Chennai, a city known for its technological and innovative ecosystem, provides a unique backdrop to study this phenomenon. Understanding how Gen Z integrates their digital proficiency with traditional entrepreneurial factors could offer valuable insights for educators, policymakers, and entrepreneurship mentors aiming to support this generation's entrepreneurial ambitions effectively.

#### **RESEARCH OBJECTIVES:**

1. To identify the factors shaping the skill development contributing to entrepreneurial mindset among Generation Z.
2. To evaluate relationship between the aspects shaping skill development contributing to entrepreneurial mindset among Generation Z focusing Chennai city.

#### **RESEARCH HYPOTHESES:**

**H1:** The skill development factors towards entrepreneurial mindset among the Generation Z are: Entrepreneurial Attitude, Entrepreneurial Personality, Entrepreneurial Career, Entrepreneurship Education, Entrepreneurial Intention.

**H2:** There exists a positive correlation between the skill development factors of the present study.

### CONCEPTUAL MODEL OF THE STUDY:



**Figure 1: CONCEPTUAL MODEL OF THE STUDY**

### RESEARCH METHODOLOGY:

A convenience sample was used to conduct the study in Chennai. The survey respondents were required to have been Gen Z respondents. The questionnaire survey was developed based on the research gap with a total of 380 respondents from Oct 2023 to Dec 2023. The questionnaire was circulated via Google Forms to 420 respondents, and 380 of them were found suitable for the study. Data analysis was done using SPSS v26.0 by applying relevant statistical tools such as exploratory factor analysis and correlation coefficient.

### DATA ANALYSIS & FINDINGS:

**H1:** The skill development factors towards entrepreneurial mindset among the Generation Z are: Entrepreneurial Attitude, Entrepreneurial Personality, Entrepreneurial Career, Entrepreneurship Education, Entrepreneurial Intention.

### FACTOR ANALYSIS:

**TABLE 1 KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	<b>0.894</b>
Bartlett's Test of Sphericity Approx. Chi-Square	<b>168.204</b>
Df	<b>55</b>
P-Value	<b>0.000</b>

Source: Computed data

### KMO Bartlett's Test of Sphericity

A notable aspect of their analysis was the application of KMO measure and Bartlett's Test of Sphericity. The KMO value obtained was 0.894, which is significantly above the commonly accepted threshold of 0.5, indicating a high degree of sampling adequacy for the factor analysis at 5%. This high KMO suggests that the patterns of correlations among variables were relatively compact and thus suitable for factor analysis, reinforcing the appropriateness of the sample size and the feasibility of conducting factor analysis to identify underlying factors influencing entrepreneurial mindset among the respondents.

Factor analysis, a technique aimed at data reduction and summarization, was utilized to distill the original variables into fewer, more potent factors that influence the entrepreneurial mindset among Gen Z. This analysis led to the identification of five distinct factors, based on Eigenvalues greater than 1, which collectively accounted for 58 percent of the variance in the dataset. The variables influencing the entrepreneurial mindset were thereby categorized into five cohesive groups, each representing a factor that reflects a particular aspect or dimension of the entrepreneurial mindset. This grouping was based on the factor loadings derived from the factor analysis, illustrating how various elements combine to shape the entrepreneurial inclinations of Gen Z individuals. The study's methodological approach not only highlights the significant variables that impact entrepreneurial attitudes but also underscores the complexity and multifaceted nature of the entrepreneurial mindset within this demographic.

**TABLE 2 - TOTAL VARIANCE EXPLAINED BY INFLUENCING SKILL FACTORS OF ENTREPRENEURIAL MINDSET AMONG GEN Z.**

Rotation Sums of Squared Loadings			
Component	Eigen Values	% of Variance	Cumulative %
1	1.556	1.556	14.149
2	1.448	1.448	27.315
3	1.205	1.205	38.268
4	1.128	1.128	48.523
5	1.046	1.046	58.033

Source: Computed data

Table 2 shows the variables are reduced to five main elements. The variables have 58.033 percent variance and Eigen value greater than 1. Additionally, the five components personally affect variations 14.149%, 27.135%, 38.268, 48.523%, and 58.033%. This variation causes Gen Z's entrepreneurial mentality skill components to load differently. Using the rotating component matrix, variables are grouped to segment factors. The data reduction technique was utilised to comprehend the latent controlling measurements in variable linking skill variables to entrepreneurial mentality among Gen Z to limit the number of possible independent factors. Factor analysis using principal component analysis of extraction method and varimax rotation method with Kaiser Normalisation yielded:

**TABLE 3: FACTOR LOADINGS**

Factors	Skill Factors Towards Entrepreneurial Mindset Among Gen Z	Factor Loading
Entrepreneurial Attitude	Skills and Abilities for Entrepreneur	0.878
	Earning profit is main goal	0.723
	Entrepreneurship is advantage	0.849
Entrepreneurial Personality	Be my own boss	0.765
	Investment and Resources	0.823
Entrepreneurial Career	Parents acceptance for Entrepreneurship	0.741
	Entrepreneurship is attractive	0.633
Entrepreneurship Education	Entrepreneurship course in institute	0.861
	Government support	0.879
Entrepreneurial Intention	Start my own venture	0.745
	Create Job Opportunities	0.756

Thus, all variables of influencing factors of skill factors towards entrepreneurial mindset among Gen Z in to 5 constructs. The factors are Entrepreneurial Attitude (EA) 14.149%, Entrepreneurial Personality (EP) 13.167%, Entrepreneurial Career (EC) 10.953%, Entrepreneurial Education (EE) 10.255%, Entrepreneurial Intention (EI) 9.510%.

**H2:** There exists a positive correlation between the skill development factors of the present study.

**Statistical Tool Used: Correlation Coefficient**

TABLE 4 CORRELATIONS						
		EA	EP	EC	EE	EI
EA	Pearson Correlation	1	.165**	.424	.861	.435
	Sig. (2-tailed)		.000	.023	.044	.003
	N	380	380	380	380	380
EP	Pearson Correlation		1	.004**	.890	.911
	Sig. (2-tailed)			.000	.002	.000
	N			380	380	380
EC	Pearson Correlation			1	.602	.783
	Sig. (2-tailed)				.000	.009
	N				380	380
EE	Pearson Correlation				1	.892
	Sig. (2-tailed)					.009
	N					380
EI	Pearson Correlation					1
	Sig. (2-tailed)					
	N					380

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis among 380 respondents reveals significant relationships between variables related to entrepreneurship: Attitude (EA), Personality (EP), Career (EC), Education (EE), and Intention (EI). A weak but significant correlation between EA and EP ( $r = .165$ ) suggests a slight positive association, indicating that a favorable entrepreneurial attitude slightly correlates with positive entrepreneurial perceptions. The moderate to strong correlations between EA and both EC ( $r = .424$ ) and EI ( $r = .435$ ) highlight that positive attitudes towards entrepreneurship are associated with higher career and intentions to engage in entrepreneurial activities. Notably, there are very strong correlations between EA and EE ( $r = .861$ ), EP and EE ( $r = .890$ ), EP and EI ( $r = .911$ ), and EE and EI ( $r = .892$ ), demonstrating that positive attitudes, personality and education towards entrepreneurship are closely linked to a strong entrepreneurial intention. Additionally, the strong correlation between EC and EI ( $r = .783$ ) underscores the importance of commitment in predicting entrepreneurial intentions. These findings underscore the interconnectedness of attitudes, personality, career, enthusiasm, and intentions in shaping entrepreneurial mindsets, with particularly strong links between personality, education and entrepreneurial intentions.

**DISCUSSION:**

The compilation of research across various studies provides a comprehensive overview of the factors influencing entrepreneurial intentions among youth, emphasizing the critical role of entrepreneurship education (EE), entrepreneurial passion (EP), and the supportive environment provided by educational institutions. Studies like Jagannathan et al. (2017) and Gokulnath et al. (2023) highlight the importance of both capital and traits in fostering business attitudes, with a notable emphasis on the impact of previous labor market experiences, social networks, and the educational environment in nurturing an entrepreneurial mindset. The research collectively underscores the need for targeted educational strategies and programs that not only enhance students' entrepreneurial skills and knowledge but also cultivate a supportive ecosystem that encourages entrepreneurial initiatives.

Furthermore, the correlation analysis among various factors related to entrepreneurship, such as attitude, personality, career, education, and intention, reveals a complex interplay that significantly influences entrepreneurial intentions. Strong correlations between entrepreneurial attitudes, education, and intentions suggest that fostering a positive mindset towards entrepreneurship, coupled with comprehensive education and supportive policies, can significantly impact youths' inclination towards entrepreneurial endeavors. These findings advocate for a multifaceted approach in promoting youth entrepreneurship, involving the enhancement of educational content, the provision of mentorship and networking opportunities, and the creation of a conducive policy environment that collectively empower the next generation of entrepreneurs.

## CONCLUSION:

Earlier research provides a comprehensive insight into the entrepreneurial intentions among Gen Z university students in India, highlighting the pivotal role of entrepreneurship in national development and economic growth. Through a detailed analysis, employing factor analysis and correlation coefficients, the study identifies five key factors that significantly influence the entrepreneurial mindset among Gen Z: Entrepreneurial Attitude (EA), Entrepreneurial Personality (EP), Entrepreneurial Career (EC), Entrepreneurial Education (EE), and Entrepreneurial Intention (EI). These factors collectively account for a significant portion of the variance in entrepreneurial mindset, indicating their crucial role in shaping the inclination towards entrepreneurship among young individuals. The high degree of sampling adequacy confirmed by the KMO value and the Bartlett's Test of Sphericity validates the reliability of the factor analysis conducted, ensuring the robustness of the findings.

The strong correlations identified between various combinations of these factors, particularly between Entrepreneurial Attitude, Personality, Education, and Intention, underscore the interconnected nature of these elements in fostering an entrepreneurial mindset. The study reveals that positive attitudes towards entrepreneurship, coupled with an entrepreneurial personality and education, significantly boost the intentions to engage in entrepreneurial activities. This suggests that interventions aimed at enhancing entrepreneurial education, nurturing positive attitudes towards entrepreneurship, and developing entrepreneurial personalities could be instrumental in promoting entrepreneurship among Gen Z individuals. The findings of this research not only contribute to the academic discourse on entrepreneurship but also offer practical implications for educators, policymakers, and entrepreneurship development programs aiming to cultivate a vibrant entrepreneurial ecosystem, especially among the younger generation, to drive economic development and job creation.

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