

THE NEW WAVE OF ENTREPRENEURSHIP- POST COVID-19 PANDEMIC

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ABSTRACT

Outbreak of COVID-19 has severely damaged the global economy. The COVID-19 has spread in lightning speed in various countries like wave one, two, three and so on. Entrepreneurs are playing a vital role in contributing the Nation economy. The purpose of this research was to examine various factors influencing the start-up new ventures in post COVID-19 pandemic. In addition also find their demographic profile and nature of the business. Descriptive research design was used with the population of 153 under nine clusters. By using cluster sampling techniques the sample size was 60. Structured questionnaire was used to collect the primary data from the respondents. The five factors identified are attitude, educational supports, self-efficacy, entrepreneurial capabilities and social norms. Hypothesis was tested. All the factors were significantly influence the start-up behaviour. Particularly, attitude and self-efficacy of an entrepreneur who strongly influence on the start-up behaviour.

Keywords: Start-up, New Venture, Entrepreneur, COVID-19

INTRODUCTION

Entrepreneurs are referred to as the significant contribution towards economy of Nation. They boost economy by introducing innovative technologies, services, products, and by providing new ample job opportunities. A world public health emergency was declared on March 2020 that affected many thousands of lives throughout the planet, movement a challenge for aid professionals. Entrepreneurs suffer the double impact during the pandemic. Their physical and mental health is vulnerable by the pandemic directly and at the same time financial gains decreases due to the pandemic. Entrepreneurship could be a method of coming up with a brand new business or running associate degree already existing business, that was antecedent initiated. Additionally to its impact on human lives, this pandemic has influenced entrepreneurial business greatly throughout the world. Several businesses were even compelled to terminate contracts of their regular workers due to unprecedented lock down. However, in

some businesses, there was a rise in entrepreneurial activity. These businesses enclosed automotive corporations that skilled high demands for brand new product lines, like ventilators. Throughout the globe, steps certain measures are being used on the corporate level to individual levels to tackle this crisis. Because of preventive procedures taken by the governments in many of the countries, various small scale businesses, start-ups and entrepreneurs are severely impacted during this time of crisis. Several start-ups have re-directed their business ways to supply merchandise that square measure in bigger demand. Manufacturing these merchandise could be an elementary survival strategy and growth chance for these businesses. The pandemic created issues like meeting deadlines in each the short and long run.

LITERATURE REVIEW

Hayakawa et al., (2020) conducted a study on the impacts of Covid-19 on international trade. This study presented the evidence for the impacts of coronavirus disease 2019 with international business context. The findings of this study was, Covid-19 burden in exporting countries but not in importing countries, has a significantly negative effect on trade. This negative impact of Covid-19 was seen in all developing countries but not from the developing countries. Vidhya C.T and Prabheesh K.P (2020), explained that there is a drastic reduction in trade interconnections, connectivity and density among countries after the Covid-19 outbreak. There is a visible change in the structure of trade network but China's centre position was not affected by the pandemic. Majune and Lashitew (2020) conducted the research study to analyse the effect of lockdown policies on International Trade. The main objective of this study was to analyse the movement of import and export during the lockdown in other countries. The introduction of lockdown measures by trading partners led to a modest increase of exports and a comparatively larger decline in imports. Overall, the research found that the strength of lockdown policies had an asymmetric effect between import and export. Veeramani et al., (2021) conducted a study on Covid-19 impact on export services: opportunities, challenges and suggestions for India. This study examined the impact of the pandemic on aggregate, sectorial and mode-wise services exports from India. The analysis highlights a severe drop in overall services exports by over 10% during the second quarter of 2020. Travel, transport and financial services have been hit hardest. Due to this pandemic crisis through the spread of virus, countries suddenly had to diverge from their economic targets and objectives of sustainable development. Countries that have imposed quarantines and lockdowns based on the recommendation of the WHO, not only the consumption levels have declined, but also the consumption habits have changed in general. Wei-Wei Zhang et al., (2021) made a study which examined the impact of the Covid-19 virus on international trade, by using data from China and USA. The findings of the study show that there is direct causal relationship between the Covid-19 related deaths with exports and imports of China and USA. While the Covid-19 cases do not have a mutual relationship with exports and imports of China and vice-verse for USA. Xuepeng (2022) conducted a research study on the 2020 trade impact of the Covid-19 pandemic. Worldwide merchandise trade flows decreased significantly in 2020, as Covid-19 disrupted economic activity across the globe. This study analysed how various other pandemic factors shaped

international trade flows. It also found that the government measures to curb economic activities had a larger impact on a country's imports than the direct health and behavioural effects of the pandemic itself. Wei et al., (2021) investigated the impact of Covid-19 pandemic on exports and imports in China, Japan and South Korea have a non-significant effect on imports, but are negatively correlated with exports in Japan, epidemics in major trading partners are negatively correlated with imports in Japan and positively correlated with exports in China and South Korea. Barbero et al., (2021) examined the impact of Covid-19 on bilateral trade flows using the trade data of 68 countries exporting across 222 destinations between 2020 and 2021. The study found that there is negative impact of Covid-19 on bilateral trade for those countries that were members of regional trade agreements before the pandemic. Second, this study found that the impact of Covid-19 is negative and significant when they consider indicators related to government actions. Erginbay Ugurlu and Irena Jindřichovska (2022) conducted a research study on the effect of Covid-19 on international trade among the countries. The impact of the pandemic has been determined to all countries despite the continuous efforts of governments on all continents to attempt to mitigate its damaging effects. All economic and social indicators have worsened. The study found that the Covid-19 impact was evident in all countries, but not with the same strength. Bandura (1986) was developed the concept of Self-efficacy. He summarized it as one's belief completed into action. Entrepreneurship perspective, self-efficacy is defined as the person's belief that he/she can accomplish the multiple tasks. According to Chen et al., (1998) individuals' self-efficacy was positively connected to their intention towards the new start-up. Lee et al. (2005) also addressed self-efficacy to nurture the entrepreneurial capabilities in South East Asia nations particularly Singapore and Taiwan. Noor et al., (2021) stated that social norms were highly predictor of entrepreneur start-up behaviour.

RESEARCH OBJECTIVES & HYPOTHESIS DEVELOPMENT

The Prime objectives of this study:

1. To present the profile of entrepreneurs who started their business post pandemic period (2020-2022).
2. To understand the factors influencing the start-up of new ventures post pandemic period.

H1: Attitude has a significant effect on start-up behaviour.

H2: Educational supports has a significant effect on start-up behaviour.

H3: Self-efficacy has a significant effect on start-up behaviour.

H4: Entrepreneurship capability has a significant effect on start-up behaviour.

H5: Social Norms has a significant effect on start-up behaviour.

RESEARCH METHODOLOGY

Research Design: Based on the research objectives, descriptive study used in this paper.

Sampling: Cluster sampling techniques was adopted, the population was 153 under the nine clusters and a sample of 60 respondents randomly were selected from all the nine clusters.

Survey Instruments: Structured questionnaire was used to collect the primary data from the respondents. The questionnaire were categorized into demographic profile of the organizations, factors of start-up of new ventures and performance of the firm. The respondents were Managing Director, Owner and top management of the organization.

Table 1. Clusters of Organizations

S.N	Cluster of Organizations	No. of Respondents
1	Agriculture, fishing, mining	2
2	Manufacturing	13
3	Transportation	5
4	Food services	15
5	Health & Education	5
6	Construction of utilities	3
7	Retail / Wholesale	10
8	Financial services	4
9	Information and communication	3
	Total number of Respondents	60

DATA ANALYSIS, RESULTS AND DISCUSSION

Table 2. Demographic Profile of New Ventures

S.N	Category	Number (N)	Percentage %
1	Gender		
	Male	43	72
	Female	17	28
2	Age		
	25-30	11	18
	31-35	25	42
	36-40	14	23
	41-45	7	12
	> 46	3	5
3	Educational Qualifications		
	Diploma	15	25
	Under Graduate	21	35
	Post Graduate	24	40
4	Total Investment		
	<Rs. 1,000,000	16	27
	Rs.1,00,000 to Rs.5,00,000	26	43
	Rs.5,00,001 to Rs.10,00,000	12	20
	>Rs. 10,00,000	6	10
5	Investment Sources		
	Own	6	10
	Bank	28	47
	Private Financial Institutions	23	38

	Friends/Relatives	3	5
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Source: Primary Data

Table No 2 shows that demographic profile new ventures. It was categorized into gender, age, educational qualifications, total investment and investment sources. Results shown that (Table No.2) 72 percentage of the respondents were male category for new venture organizations, 42 percentage of the respondents were under the age group between 31-35 and only 5 percentage of the respondents' age group above 46 to start a new ventures. 40 percentage of the respondents of the new ventures were qualified Post graduate degrees and 43 percentage of the respondents were invested amount between Rs.1,00,000 to Rs.5,00,000 for start-up a new ventures. Banks were one of the major sources for financial support for the entrepreneur (47 percentage).

Table 3. Cronbach's Coefficient Alpha Reliability Test

S.N	Factors	Cronbach's Coefficient Alpha
1	Attitude	0.745
2	Educational Supports	0.852
3	Self-Efficacy	0.891
4	Entrepreneurship capability	0.798
5	Social Norms	0.821

Source: Primary Data

The reliability of scales used in this study was calculated by Cronbach's coefficient alpha. Cronbach's alpha reliability coefficient normally ranges between 0 and 1. The results of the scale reliability test show that Cronbach's Alpha coefficient ranging from 0.891 to 0.745 is all more than 0.7, showing that the relationship of the observed variable with the total variable is reliable. The coefficient alpha values exceeded the minimum standard of .70. It provides good estimates of internal consistency reliability.

Table 4. R square Test

S.N	Factors	R Square	R Square Adjusted
1	Attitude-Start-up Behaviour	0.850	0.852
2	Educational Supports-Start-up Behaviour	0.842	0.840
3	Self-Efficacy-Start-up Behaviour	0.884	0.883
4	Entrepreneurship capability-Start-up Behaviour	0.910	0.912
5	Social Norms-Start-up Behaviour	0.823	0.821

Source: Primary Data

Table No.4 Result shows that $R^2 = 0.850$. It addresses that 85 percentage of the attitude significantly effects the start-up behaviour, the value of $R^2 = 0.884$, i.e. 88 percentage of the

self-efficacy significantly effects the start-up behaviour and, the value of $R^2 = 0.910$, .e. 91 percentage of the capability of entrepreneurs significantly effects the start-up behaviour.

Table 5. Hypothesis Test

Hypothesis	Relationships	Original Sample Coefficients β	T Value	P values	Decision
H ₁	Attitude → Start-up behaviour	0.125	4.0358	0.000	Supported
H ₂	Educational Supports → Start-up behaviour	0.458	3.254	0.026	Supported
H ₃	Self-Efficacy → Start-up behaviour	0.247	4.257	0.000	Supported
H ₄	Entrepreneurship Capability → Start-up behaviour	0.354	2.778	0.004	Supported
H ₅	Social Norms → Start-up behaviour	0.185	37.254	0.002	Supported

Source: Primary Data

The results show that Table No.5 attitude ($\beta=0.125$, $t=4.0358$, $p < 0.01$), the attitude of the entrepreneurs can significantly increase the start-up behaviour; every one-point increase in the attitude variable increases the start-up behaviour by a coefficient value of 0.125 points. Educational supports ($\beta = 0.458$, $t = 3.254$, $p < 0.01$), the educational qualification of entrepreneurs can significantly increase the start-up behaviour; every one-point increase in the educational qualification variable increases the start-up behaviour by a coefficient value of 0.458 points. Self-efficacy ($\beta=0.247$, $t=4.257$, $p < 0.01$), the self-efficacy of entrepreneurs can significantly increase the start-up behaviour; every one-point increase in the self-efficacy variable increases the start-up behaviour by a coefficient value of 0.247 points. Entrepreneurial capability ($\beta=0.354$, $t=2.778$, $p < 0.01$), the capability or competencies of entrepreneurs can significantly increase the start-up behaviour; every one-point increase in the entrepreneurial capability variable increases the start-up behaviour by a coefficient value of 0.354 points. Competencies of entrepreneurs develop or upgrade their skills, it leads to grasp the business opportunities (Ganeshan 2013) Social Norms ($\beta=0.185$, $t=37.254$, $p < 0.01$), have a significant positive effect on the start-up behaviour. The social norms can significantly increase the start-up behaviour; every one-point increase in the social norms variable increases the start-up behaviour by a coefficient value of 0.185 points. In addition, Ganeshan (2013) stated that welfare scheme from government for new ventures to extend their business network, generate employment opportunities and bringing about socio-economic prosperity in the region As a result, all hypothesis (H₁, H₂, H₃, H₄ and H₅) hypotheses are supported.

LIMITATIONS AND FUTURE STUDIES

The present study was several limitations, the study was restricted to South Indian only, so the results may not be generalized to other regions. This study was focused only on Micro, Small, Medium ventures who started their organizations during the pandemic. Future research may

look into determinants of start-up behaviour of entrepreneurs and measure their sustainability minimum period of three years. In addition, future research may emphasis on identify variables for Green Entrepreneurship.

CONCLUSION

The paramount goal of this study was concentrated on determinant various factors influencing to start-up a venture after COVID-19 pandemic. This research study identified five major factors by analyzing the comprehensive literature survey which are attitude, education, self-efficacy, capability of entrepreneurs and social norms. Hypothesis was tested. The results showed that all the above mentioned factors were significantly influencing the startup behaviour. The results also found that attitude and self-efficacy of an entrepreneur who strongly influence on the start-up behaviour.

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