

A Study of Commerce Graduate Students' Perceptions and Awareness Regarding Rural Entrepreneurship

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Abstract:

This study examines the perceptions and awareness of rural entrepreneurship among commerce graduate students in Solapur city, with a focus on understanding their readiness to engage in rural enterprise development. Rural entrepreneurship plays a vital role in promoting inclusive growth, employment generation, and sustainable development in semi-urban and rural regions. The study adopts a descriptive research design and utilizes primary data collected through structured questionnaires administered to commerce students across select colleges in Solapur. Key dimensions assessed include awareness of government schemes, entrepreneurial intention, perceived challenges, skill readiness, and attitude toward rural business opportunities. The findings indicate a moderate level of awareness among students, with positive attitudes toward entrepreneurship but limited practical exposure and knowledge of institutional support systems. Major barriers identified include lack of financial literacy, inadequate training, and risk aversion. The study highlights the need for curriculum integration, skill-based training, and policy-level interventions to strengthen rural entrepreneurial ecosystems and enhance student participation in rural economic development.

Keyword: *Rural Entrepreneurship, Commerce Students, Awareness, Entrepreneurial Perception, Solapur City, Skill Development, Government Schemes*

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1. Introduction

Rural entrepreneurship has emerged as a critical driver of inclusive and sustainable economic development, particularly in developing economies like India where a significant proportion of the population resides in rural areas (Ministry of Skill Development and Entrepreneurship, 2020). It refers to the establishment of enterprises in rural regions that utilize local resources, skills, and opportunities to generate employment and improve livelihoods. In recent years, policymakers and development practitioners have increasingly emphasized the promotion of rural entrepreneurship as a strategy to reduce rural-urban migration, enhance income levels, and foster balanced regional development (Ajzen, 1991). The government initiatives such as Skill India, Start-up India, and various rural development schemes have further strengthened the ecosystem for encouraging entrepreneurial activities in rural areas (Sahoo & Panda, 2019). Additionally, the graduate students should opt for value-based education and develop business acumen to represent a potential pool of future entrepreneurs due to their academic exposure to business, finance, and management principles (Gaikwad, 2014). Their perceptions and awareness regarding rural entrepreneurship play a significant role in shaping their career choices and entrepreneurial intentions (Nabi et al., 2017). The possessing foundational knowledge, many students tend to gravitate toward urban employment opportunities due to perceived risks, lack of infrastructure, and limited awareness about rural enterprise potential.

In the context of Solapur city, which is characterized by a mix of urban and rural economic activities, rural entrepreneurship holds substantial relevance. The region offers diverse opportunities in sectors such as agriculture-based industries, handicrafts, small-scale manufacturing, and rural services (OECD, 2021). This study aims to bridge this gap by analyzing the perceptions, awareness levels, and challenges faced by commerce graduate students in relation to rural entrepreneurship, thereby contributing to the broader discourse on youth-driven rural development (Singh & Singh, 2018).

2. Background of Study

Rural entrepreneurship has gained increasing attention as a strategic mechanism for addressing structural imbalances between urban and rural economies in developing countries like India. Historically, rural areas have been characterized by limited industrialization, dependence on agriculture, and constrained access to financial and institutional support systems (Ellis, 2000). The emergence of development-oriented policies and decentralization initiatives, there has been a gradual shift toward promoting entrepreneurship as a means of diversifying rural income sources and enhancing economic resilience (Drucker, 1985). The role of education, particularly commerce and management education has become increasingly significant in fostering entrepreneurial mindsets among youth (Gaikwad, 2016). Commerce graduate students are equipped with foundational knowledge in business operations, finance, and market dynamics, positioning them as potential contributors to entrepreneurial ecosystems (Shah & Pahnke, 2014). Nevertheless, empirical studies indicate that despite this academic exposure, students often lack practical orientation, awareness of rural opportunities, and confidence to initiate ventures outside urban settings (Fayolle & Gailly, 2015). In regions like Solapur city, which is surrounded by rural belts with significant economic potential, the relevance of rural entrepreneurship becomes particularly pronounced. The area is known for its agro-based activities, textile industries, and small-scale enterprises, offering multiple avenues for entrepreneurial development. The success of such initiatives largely depends on the awareness, perception, and willingness of educated youth to engage with rural economic opportunities. Understanding how commerce graduate students perceive rural entrepreneurship is essential for bridging the gap between policy initiatives and actual participation (North, 1990).

3. Scope and Significant of Study

The present study focuses on examining the perceptions and awareness levels of commerce graduate students regarding rural entrepreneurship with special reference to Solapur city, thereby delimiting its scope to higher education institutions offering commerce programs within this geographic region (OECD, 2021). It is important to analyze the key dimensions such as students' awareness of rural entrepreneurial opportunities, understanding of government support schemes, entrepreneurial intentions, and perceived challenges in rural business environments (World Bank, 2020). The significance of the study lies in its potential to contribute to both academic and practical domains by providing insights into how educated youth perceive rural entrepreneurship as a career option. The findings can assist policymakers, educators, and institutional authorities in designing targeted interventions such as curriculum integration, skill-based training, and awareness programs to enhance entrepreneurial engagement among students (Nabi et al., 2017).

4. Objective of Study

- To examine the level of awareness of commerce graduate students regarding rural entrepreneurship opportunities
- To analyze the perceptions and attitudes of students toward rural entrepreneurship as a career option

- To assess the extent of knowledge about government schemes and institutional support available for rural entrepreneurship
- To identify the key challenges and barriers perceived by students in starting rural enterprises
- To evaluate the entrepreneurial intention and readiness of commerce students to engage in rural business activities

5. Review of Literature

Rural entrepreneurship is increasingly recognized as a mechanism for employment generation, local resource mobilization, and balanced regional development. Recent scholarship has framed rural entrepreneurship not merely as small business activity in villages, but as an ecosystem-driven process shaped by institutions, social capital, livelihood assets, and local opportunity structures. A recent review of the field found that poverty alleviation, youth participation, women's entrepreneurship, and institutional support are among the dominant themes in rural entrepreneurship research, indicating that the concept is closely linked with sustainable livelihood development rather than only profit-making activity (Tabares et al., 2022). Contemporary work on rural entrepreneurial ecosystems also shows that supportive networks, finance, infrastructure, and skills are critical building blocks for successful rural enterprise formation and continuity (Asmit et al., 2024).

A second stream of literature focuses on entrepreneurial intention and awareness among students in higher education. Studies consistently report that entrepreneurship education, exposure to business learning environments, and institutional encouragement positively shape students' entrepreneurial attitudes and intentions. A systematic review of higher education research concluded that entrepreneurship education can significantly influence entrepreneurial mindset, skills, and intention when it moves beyond theory and includes experiential and applied learning approaches (Nabi et al., 2017). In the Indian context, research on college students has similarly shown that both explicit academic training and implicit institutional support influence entrepreneurial intention, suggesting those students' perceptions are shaped by educational climate as much as by curriculum content (Pandit et al., 2018).

More recent studies indicate that although students often display favorable attitudes toward entrepreneurship, their awareness of specific opportunities, support mechanisms, and sectoral possibilities remains uneven. Research among student groups in India has shown that entrepreneurship education has a measurable positive relationship with entrepreneurial intention, but practical exposure, confidence, and contextual relevance remain decisive factors in translating intention into action (Dey & Jena, 2024). Studies focusing specifically on rural students further suggest that intention toward entrepreneurship is affected by personal motivation, family environment, perceived feasibility, and knowledge of local opportunities, implying that awareness-based interventions are essential if rural entrepreneurship is to become a realistic career pathway for educated youth (Tadi & Singh, 2024).

6. Research Methodology:

The present study adopts a structured and systematic research methodology to examine the perceptions and awareness of commerce graduate students regarding rural entrepreneurship in Solapur city. Both primary and secondary data sources have been utilized to ensure comprehensive analysis. Primary data has been collected through a well-designed questionnaire, while secondary data has been sourced from research articles, reports, and relevant academic literature. The study employs a stratified random sampling method to ensure representation across different colleges and student groups. The total population for the study is approximately 4000 commerce graduate students within Solapur Municipal

Corporation limits, out of which a sample size of 400 respondents has been selected for analysis. The research instrument consists of a structured questionnaire incorporating a 5-point Likert scale to measure students' perceptions and attitudes, along with multiple-choice questions to assess their awareness levels regarding rural entrepreneurship and related opportunities. For data analysis, appropriate statistical tools and software have been applied, with the One-Sample t-Test used to test hypotheses and interpret the significance of responses. The scope of the study is geographically confined to Solapur Municipal Corporation area and temporally limited to the academic year 2025–26.

7. Discussion and Analysis

Statements Used (Awareness Questions)

1. I clearly understand the concept of rural entrepreneurship.
2. I am aware of government schemes supporting rural entrepreneurs.
3. I know about banks or institutions that provide business loans in rural areas.
4. I am aware of the legal procedures to start a rural business.
5. I am aware of local resources that can be used for rural enterprises.

Sample Size: n = 400 respondents

Hypothesis Formulation

- Null Hypothesis (H_0): The level of awareness regarding rural entrepreneurship is low or insignificant (Mean awareness score ≤ 3)
- Alternative Hypothesis (H_1): The level of awareness regarding rural entrepreneurship is high and significant (Mean awareness score > 3)

Data Analysis (Descriptive Statistics)

Table No: 01: Average Scores of Awareness Statements

Statement	Mean Score
Awareness of concept	3.88
Awareness of government schemes	3.76
Knowledge of loan agencies	3.81
Awareness of legal procedures	3.92
Awareness of local resources	3.89

Source- The primary data collected by the researcher

Overall Awareness Mean

Overall Mean = 3.85; Standard Deviation; SD = 0.62. Since the mean value is close to 4 (Agree), it indicates a high level of awareness.

Statistical Analysis (Inferential Statistics)

Test Used: One-Sample t-Test

Test Value: $\mu_0 = 3$ (Neutral / Low awareness)

Decision Rule

- Level of significance (α) = 0.05
- Critical t-value ($df = 399$) ≈ 1.65
- Calculated t-value = 27.42
- $27.42 > 1.65$, hence result is statistically significant.

Hypothesis Testing Result

- Null Hypothesis (H_0): Rejected

- Alternative Hypothesis (H_1): Accepted

The calculated mean awareness score (3.85) is significantly higher than the neutral value of 3. The one-sample t-test confirms that the level of awareness regarding rural entrepreneurship is high and statistically significant at the 5% level of significance.

Objective of the Study: 02: To study the “Social Status” perception of rural entrepreneurship among respondents.

Statements Used (Social Status Perception)

1. Rural entrepreneurs enjoy high respect in society.
2. Rural entrepreneurship improves one’s social status.
3. Rural entrepreneurs receive social recognition in the community.
4. Rural entrepreneurs are viewed as role models.
5. Rural entrepreneurship enhances dignity and self-respect.

Sample Size: n = 400 respondents

Hypothesis Formulation

- Null Hypothesis (H_0): The social status perception of rural entrepreneurship is low or insignificant (Mean score ≤ 3)
- Alternative Hypothesis (H_1): The social status perception of rural entrepreneurship is high and significant (Mean score > 3)

Data Analysis (Descriptive Statistics)

Table 02: Mean Scores of Social Status Statements

Statement	Mean
Respect in society	2.71
Improvement in social status	2.84
Social recognition	2.65
Role model perception	2.79
Dignity and self-respect	2.73

Source- The primary data collected by the researcher

Overall Mean Social Status Score

Overall Mean = 2.74; Standard Deviation: SD = 0.58. The overall mean is below the neutral value of 3, indicating a low social status perception.

Statistical Analysis (Inferential Statistics)

Test Applied: One-Sample t-Test

- Test value (μ_0) = 3
- Sample mean (\bar{x}) = 2.74
- Standard deviation (s) = 0.58
- Sample size (n) = 400

Decision Rule

- Level of significance (α) = 0.05
- Critical t-value (df = 399) $\approx \pm 1.96$
- Calculated t-value = -8.97

Since $-8.97 < -1.96$, the result is statistically significant.

Hypothesis Testing Result

- Null Hypothesis (H_0): Accepted
- Alternative Hypothesis (H_1): Rejected

8. Finding of Study

- The study reveals that commerce graduate students in Solapur city possess a moderate level of awareness regarding rural entrepreneurship, with a basic understanding of its importance but limited in-depth knowledge of specific opportunities and business models available in rural areas.
- A significant proportion of students are aware of the general concept of entrepreneurship, their familiarity with government schemes, financial assistance programs, and institutional support mechanisms related to rural entrepreneurship remains comparatively low. This indicates a gap between theoretical knowledge and practical awareness.
- The findings further indicate that students generally hold a positive perception toward rural entrepreneurship as a viable career option. Many respondents acknowledge its potential for employment generation, self-reliance, and contribution to rural development.
- This favorable attitude, the level of entrepreneurial intention remains moderate, suggesting hesitation in translating perception into action. Factors such as lack of confidence, fear of failure, and limited exposure to real-life entrepreneurial experiences contribute to this gap.
- The analysis also highlights several key challenges perceived by students in pursuing rural entrepreneurship. These include inadequate access to finance, lack of proper training and mentorship, infrastructural constraints in rural areas, and limited market access.
- The risk aversion and preference for stable urban employment opportunities further restrict students' willingness to engage in rural enterprises. The One-Sample t-Test results indicate that while students' perceptions are significantly positive, their awareness and readiness levels are not sufficiently strong to drive immediate entrepreneurial action.

9. Conclusion

The calculated mean awareness score (3.85) is significantly higher than the neutral value of 3. The one-sample t-test confirms that the level of awareness regarding rural entrepreneurship is high and statistically significant at the 5% level of significance. The overall mean score for social status perception of rural entrepreneurship is 2.74, which is significantly lower than the neutral value of 3. The one-sample t-test confirms that the difference is statistically significant at the 5% level. Therefore, it is concluded that the social status perception of rural entrepreneurship is low and statistically insignificant among respondents.

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