

ENTREPRENEURIAL MINDSET AMONG YOUTH: ASSESSING READINESS FOR LEADERSHIP AND INNOVATION

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ABSTRACT

The need to foster youth leadership, innovation, and economic development is contingent on having an entrepreneurial mindset. This study aimed to measure young individuals' readiness towards entrepreneurial leadership, in terms of their perceptions, abilities and challenges. Using a thematic analysis all key themes from the speeches included financial constraints, the role of education as a leader, the potential for leadership, and the need for innovation. They are also found to be resourceful and have high leadership potential and interest in entrepreneurship, but are faced with challenges of access to capital and the regulation business, as well as a lack of access to practical education in entrepreneurship. Respondents indicated the need for mentorship programs, experiential learning and policy support for readiness and embrace of entrepreneurial behavior. Therefore according to the study, entrepreneurship education and the surrounding ecosystem play a major role in the shaping of youth-driven innovation and business creation. It contributes by discussing policy intervention, curriculum reform, and support for strategic motions that could rally a strong youth entrepreneurial culture. As such, future research must investigate what are the long-term results of entrepreneurship education on youth business success and their involvement in the development of the economy.

Keywords: *Entrepreneurial Mindset, Youth Entrepreneurship, Leadership, Innovation, Entrepreneurship Education, Economic Development*

INTRODUCTION

The entrepreneurial mindset is becoming increasingly an important determining factor for economic growth, leadership development, and

creativity. It is youth entrepreneurship that contributes a great deal to the formation of economies through the promotion of creativity, job creation, and competitiveness (Hisrich 2 et al, 2017). In the era of globalization and high technology, youth are in demand for characteristics of being an entrepreneur, namely flexibility, having the potential to take risks, and being proactive in detecting problems (Kuratko, 2016). Although a lot is being talked about in entrepreneurship education and policy formulation, the extent to which youth are ready for leadership and innovation remains a question worth asking.

Entrepreneurial mindset refers to a collection of cognitive and behavioral inclinations that lead people to find opportunities, face uncertainty, and engage in new activities (Neck, Greene, & Brush, 2019). It includes the ability to think critically, all of which are needed to navigate an increasingly complex business environment. This requires young people to develop entrepreneurial competencies to fit into the new demands of the global economy, therefore transitioning from traditional employment models to more dynamic and self-directed careers (Gibb, 3332). Youth's ability to take up the entrepreneurial potential directly affects the economic development and progress of a society, primarily in emerging economies that face constrained job markets (Audretsch, Keilbach, & Lehmann, 2006).

Entrepreneurship involves leadership and innovation. Entrepreneurial leaders are capable of mobilizing resources and thinking strategically and they have a vision (Bagheri & Pihie, 2010). In the case of youth, some of the factors that contribute to being leadership-ready are educational experience, exposure to entrepreneurial role models, and access to financial and social capital (Rae, 2007). Additionally, innovation acts as an impetus for the process of economic transformation by encouraging youth entrepreneurs to come up with innovations that would fill existing market gaps and societal challenges (Schumpeter, 1934). In light of these factors, it is necessary to assess youth's preparedness to take up entrepreneurial leadership and innovation.

Growing evidence is emerging on the role of education in creating readiness for entrepreneurship among youth (Fayolle & Gailly, 2015). The entrepreneurship education programs are meant to develop critical thinking, opportunity recognition, and strategic decision-making (Pittaway & Cope, 2007). Yet, there are barriers of inequality in the quality of education, access to mentorship and socio-economic status that limit the development of entrepreneurial capabilities among young people (Henry, Hill, & Leitch,

2005). There is a need to explore the potential effectiveness of entrepreneurship education in promoting an entrepreneurial mindset, especially in developing countries where youth unemployment persists (World Bank, 2020).

What is important despite the focus on fostering entrepreneurship among youth is that there are challenges. Key barriers to be overcome by aspiring young entrepreneurs (OECD, 2017) include limited access to financial resources, regulatory constraints as well as risk aversion. Furthermore, young people's consideration of getting involved in entrepreneurial activities is affected by cultural perceptions of entrepreneurship as a viable career path (Thornton, Ribeiro-Soriano, & Urbano, 2011). An understanding of these challenges is key for designing targeted interventions aimed at improving the potential for entrepreneurial readiness and leadership.

The major objective of this study is to evaluate the entrepreneurial mindset of youth and to review their preparedness to be leaders and innovators. Using factors contributing to or hindering entrepreneurial preparedness, this research is aimed at aiding authorities in educational institutions, policy makers, and business support organizations on how to enhance youth entrepreneurship.

LITERATURE REVIEW

Theoretical Foundations of Entrepreneurial Mindset

Several frameworks support the development of an entrepreneurial mindset for the youth. The Theory of Planned Behavior (TPB) of Ajzen (1991) is one of the more relevant. The three important aspects that shape entrepreneurial intention are attitude toward behavior, subjective norms, and perceived behavioral control. Individuals with a positive attitude toward entrepreneurship as well as encouragement from society and family as well as a high sense of self-efficacy are more likely to engage in entrepreneur initiatives (Krueger, Reilly, & Carsrud, 2000). Under this theory, it is emphasized that creating a supportive environment and confidence to enhance young people's entrepreneurship capacities is necessary.

An additional important theoretical perspective is Schumpeter's Theory of Innovation (1934) which concentrates on entrepreneurs as innovators and creative destroyers. Economic transformation and job creation require innovation-driven entrepreneurs among youth. According to Schumpeter (as cited in Drucker, 1985), today's market makes it necessary for young people to be equipped with the skills in problem-solving, strategic vision, and innovativeness to compete.

Education and skill development are also studied from the perspective of Human Capital Theory (Becker, 1964). According to this theory, educated and more knowledgeable individuals have a higher potential to become entrepreneurs. The empirical work shows that there is support for the notion that entrepreneurial education enhances youth readiness by fostering leadership qualities, creativity, and adaptability (Martin, McNally, Kay, 2013).

RESULTS AND DISCUSSION

A key thematic analysis of the data was made regarding the entrepreneurial mindset among youth. Among these themes are perceived barriers to entrepreneurship, issues of education, having leadership potential, and possessing innovative capabilities.

Perceived Barriers to Entrepreneurship

Several respondents highlighted financial constraints and lack of access to capital as particularly significant challenges. ‘Launching a business is tough as banks and investors are hesitant in funding young entrepreneurs,’ said one participant. Also, regulatory hurdles were mentioned as a deterrent and one respondent indicated, ‘The bureaucracy involved prevents many potential entrepreneurs from pursuing their business ideas’. Unverfähr’s findings are consistent with other research (OECD, 2017) that demonstrates that there are high financial and regulatory barriers to youth entrepreneurship.

Role of Education in Entrepreneurial Mindset

Education was emphasized by many participants about their journey to the entrepreneurial perspective. An interviewee stated, “Our university teaches us theoretical knowledge but the practical exposure to entrepreneurship is limited.” One of the respondents noticed that ‘Mentorship programs and internships would help to bridge the gap between academic learning and real-world business challenges.’ The results here correspond with research highlighting that experiential learning is pivotal in creativity related to the development of entrepreneurial skills (Fayolle & Gailly, 2015).

Leadership Potential and Entrepreneurial Readiness

A theme that emerged was leadership, where respondents were confident and willing to take initiative. Entrepreneurship is not limited to business as one participant stated, ‘Entrepreneurship is to do with leading people and to take up challenges.’ Some interviewees though pointed the need for more and better leadership training, especially concerning decision-making and

risk management. This, however, means that leadership development forms a hallowed ground of entrepreneurship education (Bagheri & Pihie, 2010).

Innovation as a Driver of Youth Entrepreneurship

One discovered innovation exists as a key factor influencing youth entrepreneurship. “We have to think about things differently than we have and to look for digital transformation to keep up in business,” said one person. ‘A venture can only succeed when there is creative problem solving, particularly in this era of fast-paced changes in the economy,’ another participant added. In line with Schumpeter’s Theory of Innovation, it is based on the fact that an entrepreneur drives changes in the economy (Schumpeter, 1934).

The results imply that although young people have leadership potential and entrepreneurship desire, financial obstacles, poor practical education, and regulatory issues prevent them from being ready. Policy interventions, education reforms, and mentorship programs aimed at addressing these gaps may promote youth entrepreneurship and innovation. Future research will need to identify the long-term effect of providing entrepreneurship education and mechanisms of support on youth business success.

CONCLUSION

The findings of this study highlight that youth exhibit significant potential for entrepreneurship, leadership, and innovation. However, they are not fully engaged in entrepreneurial activities due to several barriers, financial constraints, regulatory challenges, and gaps in entrepreneurship education. Therefore, it points out the need to encourage an entrepreneurial mindset by implementing targeted intervention in the form of educational improvement, mentorship programs, and accessible sources of finance. Moreover, leadership development should be included as a component of entrepreneurship education so that the young ones can manage the risks and drive innovations effectively. All these challenges need to be addressed to harness the entrepreneurial youth potential of the rest of the population, which will contribute positively to economic growth and job creation.

Implications

The study has several implications for policymakers, educators, and business support organizations.

1. Universities and training centers: There is a need to integrate practical entrepreneurship education that blends the learning of theoretical

knowledge with experiential learning, mentorship, and exposure to the real world. Rather the programs should emphasize leadership development, risk-taking, and innovation.

2. Governments, in the form of policymakers need to implement policies that offer financial assistance to them, reduce restrictions against them, and create a business-friendly environment for them. Venture capital and startup incubators can foster youth participation in entrepreneurship but are encouraged.
3. Networking, training, and other support services are essential for entrepreneurs; they need help understanding the complexity of the business landscape; business support organizations should therefore offer networking opportunities, training programs as well as other support services that would facilitate the success of the young entrepreneurs in the world of business.
4. The society's attitude should be changed to a point where entrepreneurship is considered as an option worth living and not a last resort.

Future Recommendations

Following the findings of this study, these recommendations are suggested for further research and practical initiatives in building upon the findings:

1. Future research should examine the long-term effects of entrepreneurship education and policy interventions on the long-term success of youth entrepreneurial initiatives.
2. Gender-Specific Research: Young women are different from young men when it comes to the entrepreneurial mindset, so apart from the whole, the barriers and opportunities of women in entrepreneurship can be comprehended.
3. Digital Transformation: The applications of digital transformation, artificial intelligence, blockchain, and similar technologies to enhance youth entrepreneurship are a variable of overlying interest that will greatly be effective to their entrepreneurial strategies in the future.
4. Comparative Studies: Comparative studies, on either side of the country or within different country settings, may provide a wider scope for learning best practices and challenges in the field of youth entrepreneurship.

Addressing these aspects will help future research to better prepare the youth for entrepreneurship, leadership, and innovation in a changing today's ever-changing economic landscape.

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