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Effect of education on new business opportunities: A study of Kalisindh thermal power project

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Abstract
Education is a very important aspect of everyone's life. Education builds confidence in someone for living a leading life and achieves success. It develops foresightedness to analyze the available opportunities in environment and grab them in time for reap/exploit the benefits. People having different levels of education may have different abilities to plan and execute the same work in a different manner. Kalisindh Thermal Power Project is constructed near village Undal in State Rajasthan. Due to construction of this project business opportunities developed for petty contractors / traders / service providers. People having different levels of education may cash the opportunities in different manner based on their ideas. This paper presents the findings emerged from analysis of developed business opportunities for people having different education levels. Required information has been gathered through survey of petty contractors serving for this power plant as well as petty traders and petty service providers to the people living in township of this power plant. During survey a structured questionnaire was filled. Convenience sampling method is used for selection of sample. Frequency, percentage, simple arithmetic mean and ANOVA are the statistical tools used for the analysis.

Keywords: ANOVA, convenience sampling, business opportunities, education, petty contractors

1. Introduction
Education is very important in life. It is foundation of life. Education gives knowledge and builds opinion towards society. People having different levels of education may have different point of views to analyze the things or execute the plans in their lives. When any project started, it opens door of lot of opportunities for everyone. It depends upon education level of people, how they grab these opportunities. Education helps to develop intellectual level in person for better understanding, but it doesn't mean that people having lower level of education cannot deal with the business opportunities.

Kalisindh Thermal Power Project is constructed near village Undal in Rajasthan. Direct and Indirect economic opportunities developed due to construction of this power plant. Business opportunities developed for people living in vicinity as well as for people living at far from this power project. People having different education levels may have different ideas, foresightedness and capability for cash the benefits from the available opportunities in environment.

Schultz (1959) [23] asserted that formal education increase an entrepreneur's cognitive abilities to better evaluation of opportunities.

In this study effect of education on developed business opportunities for Petty Contractors / Traders / Service providers have analyzed. This paper present the findings emerged from analysis.

2. Literature Review
Becker (1964) [6] stated that human capital was not only the result of formal education, but included experience and practical learning that took place on the job, as well as non-formal education, such as specific training courses that were not a part of traditional formal educational structures.

Bourdieu (1983) [8]; Loury (1987) [20]; Coleman (1988; 1990) [9] opined that social networks provided by extended family, community-based or organizational relationships are theorized to supplement the effects of education, experience, and financial capital.

Gartner (1988) [16] and Shane & Venkataraman (2000) [24] defined entrepreneurship as focus on emergence. They suggested that entrepreneurship research should deal with early stage phenomena, such as how opportunities are detected and acted upon, or how new organizations come into being.

Evans and Leighton, (1989) [12]; Bellu, Davidsson and Goldfarb, (1990) [7]; Davidsson, (1995) [11]; Honig, (1996) [18]; Gimeno, *et al.*, (1997) [17]; Reynolds, (1997) [22] demonstrated a range of results regarding the relationship between education, entrepreneurship and success, with education frequently producing non-linear effects in supporting the probability of becoming an entrepreneur, or in achieving success. They stated that formal education is one component of human capital that may assist in the accumulation of explicit knowledge that may provide skills useful to entrepreneurs.

Baron and Hannan, (1994) [3] said that social capital is broadly defined in the literature, such that a precise link between definition and operationalization is necessary in order to explain any aspect of the many network processes and reciprocities characterized under this umbrella term.

Bates (1995) [5] and Honig (1998) [19] discussed through a number of studies that found for men, returns to education were conditional on both the industry and higher levels of education, such as college or graduate studies.

Weick (1996) [25], stated that previous knowledge plays a critical role in intellectual performance. It assists in the integration and accumulation of new knowledge, as well as integrating and adapting to new situations.

Gimeno *et al*. (1997) [17] suggested in his research that the relationship between human capital and entrepreneurial activity may be confounded by a number of factors. They demonstrated that the relationship between persistence and education is nonlinear, with human capital increasing performance, but not persistence.

Nahapiet and Ghoshal, (1998) [21], stated that social capital is multidimensional, and occurs at both the individual and the organizational levels. They presented a model that incorporated all argument in the form of a series of hypothesized relationships between different dimensions of social capital and the main mechanisms and processes necessary for the creation of intellectual capital.

Shane and Venkataraman (2000) [24] emphasized that entrepreneurship consisted of two related processes, discovery of entrepreneurial opportunities, and exploitation1 of such opportunities.

Shane & Venkataraman, (2000) [24]; Gaglio & Katz (2001) [15]; Ardichvili, Cardozo & Ray (2003) [2] identified the opportunity identification as an essential capability of entrepreneurs and has become an important element of the scholarly study of entrepreneurship.

Alvarez & Busenitz, (2001) [1] opined that the individual's ability to recognize opportunities, both independently and within the parameters of the firm (corporate entrepreneurship), is a resource worth developing.

Fiet (2001) [13] argued that entrepreneurship educators must include theoretical content in their courses if they expect students to develop the cognitive skills necessary to make better entrepreneurial decisions.

Fiet (2002) [14] found that the alertness of group discovered more opportunities than did the systematic search group, but the systematic search group discovered opportunities that were more likely to lead to wealth creation.

Baron (2006) [4] investigated in his study that how entrepreneurs identify opportunities for new business ventures.

Daniel, B. (2015) [10] outlined a number of opportunities and challenges associated with the implementation of Big Data in the context of higher education. He concluded in his paper future directions relating to the development and implementation of an institutional project on Big Data.

3. Objectives

The study is focused on a single objective of analyzing effect of education on developed business opportunities for Petty Contractors / Traders / Service providers due to construction of Kalisindh Thermal Power Project.

4. Rationale

Every project develops business opportunities for petty contractors / petty traders / petty service providers during its construction phase as well as in its operational phase. People having different levels of education have different ideas for grab these opportunities. Kalisindh Thermal Power Project is constructed near village Undal, Rajasthan. No study has been carried out to find out developed business opportunities for people of different education levels serving for this power project. This research is to analyze developed business opportunities for people of different education levels serving for Kalisindh Thermal Power Project. The researcher has gone through exhaustive amount of literature available related to this field of study but very little research in this field has been carried out till now. This study is an endeavour to plug this gap.

5. Hypothesis

Following hypotheses have been framed and tested for this study:-

H_1: "There is no significant effect of education on average monthly income of petty contractors / traders / service providers due to construction of Thermal Power Plant".

H_2: "There is no significant effect of education on change in income status of petty contractors / traders / service providers in last 5 years due to construction of Thermal Power Plant".

H_3: "There is no significant effect of education on change in standard of living of petty contractors / traders / service providers in last 5 years due to construction of Thermal Power Plant".

6. Research Methodology

The type of research used for this study is descriptive in nature. After construction of Kalisindh Thermal Power Plant, for maintenance purpose of various areas in plant, petty contracts awarded to various firms. People got the opportunity for trading of petty goods as well as providing the petty services to people living in the vicinity. This is indirect economic impact of construction of this power project. A structured questionnaire form was filled during survey of petty contractors / petty traders / petty service providers for gathering information. As all petty contractors belong from the same background, convenience sampling method considered appropriate for selection of petty contractors during survey.

Approximately 20 % from the population of petty contractors, were included in the sample. Population of petty traders and petty service providers were very less, hence included 100% in sample. Table -1 presents the summary of total no. of samples collected from petty traders, petty contractors and petty service providers.

Table 1: No. of samples collected from Petty Contractors / Traders / Service providers

Description	No. of Individuals
Petty Traders	12
Petty Contractors	19
Petty Service Providers	07
Total	38

Internal consistency of the variables has been identified through reliability analysis. Cronbach alpha value of the scale is shown in table -2. Which is greater than 0.8. It shows adequate internal consistency. Statistical tools used for the analysis are frequency, percentage, simple arithmetic mean and ANOVA.

Table 2: Reliability Statistics

Developed Business Opportunities	Cronbach Alpha
Petty Contractors /Petty Traders /Petty Services Providers	0.809

7. Data Analysis

People get direct and indirect business opportunities due to construction of any power project. Business opportunities develop for petty contractors / petty traders / petty service providers during its construction phase as well as in its operational phase. Kalisindh Thermal Power Plant is also an example of the same. Everyone in this world has equal rights to participate in developed business opportunities and earn profit. It doesn't matter how highly qualified the person is. People having different education levels availed business opportunities in this power plant. Here in this paper our objective is to study developed business opportunities for petty traders / contractors / service providers having different education level. For this purpose following indicators were considered:-

- Average Monthly Income
- Change in Income Status during last 5 years
- Change in standard of living during last five years

Findings emerged from analysis are presented hereunder:-

7.1 Developed Business Opportunities for people of different Education levels

Below table and Bar graph show that only 14.3% petty service providers are illiterate. Only 16.7% petty traders completed their education up to 5th standard. 25% petty traders and 14.3% petty service providers completed their education up 6th – 9th standard. 33.3% petty traders, 36.8% petty contractors and 14.3% petty service providers completed their SSC/HSC education. Only 8.3% petty traders are under graduate. 21.1% petty contractors qualified diploma in technical education. 21.1% petty contractors and 14.3% petty service providers completed their graduation. Only 8.3% petty traders, 10.5% petty contractors and 42.9% petty service providers completed their post-graduation. Only 8.3% petty traders and 10.5% petty contractors are professionally qualified.

Table 3: Education

Occupation	Illite rate	Literate but no formal education	Primary Education (up to 5th Standard)	Education up to 6th -9th Standard	SSC/ HSC	Under Graduate	Technical (Diploma/ ITI)	Graduate (General)	Post Graduate (General)	Professional (Doctor/Engineer/LLB/MBA/CA/CS)	Others (Specify)……
Petty Traders	0.0	0.0	16.7	25.0	33.3	8.3	0.0	0.0	8.3	8.3	0.0
Petty Contractors	0.0	0.0	0.0	0.0	36.8	0.0	21.1	21.1	10.5	10.5	0.0
Petty Service Providers	14.3	0.0	0.0	14.3	14.3	0.0	0.0	14.3	42.9	0.0	0.0

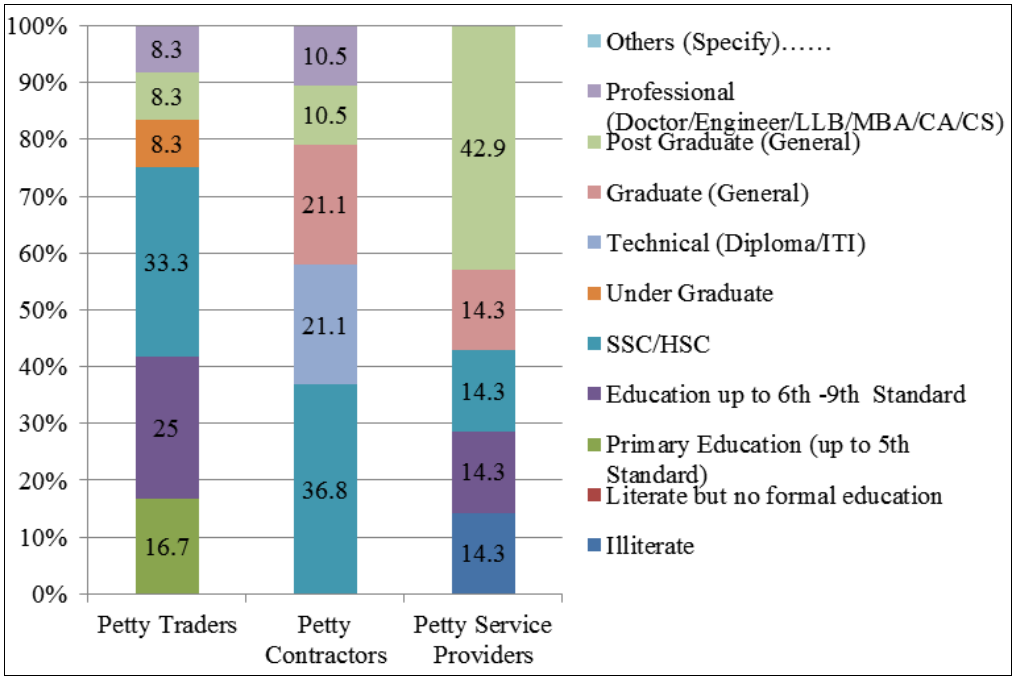

Fig 1: Education

7.2. Interpretation of ANOVA

For study effect of education on developed business opportunities statistical tool ANOVA has been applied on all indicators considered for assessment. The findings and interpretation have been described hereunder.

7.2.1 Interaction between education and average monthly income

One way ANOVA for indicator 'Average Monthly Income' of Developed business opportunities for petty traders / contractors / service providers having different education level is presented as below:

Table 4: ANOVA Average Monthly Income

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	34.210	8	4.276	1.622	0.167
Within Groups	68.533	26	2.636		
Total	102.743	34			

It can be observed from the above table that F value of interaction between education and average monthly income is 1.622 with degree of freedom 8, which is not significant. It means that there is no significant difference among respondents of different education level with respect to average monthly income. In light of this the null hypothesis namely "There is no significant effect of education on average monthly income of petty contractors / traders / service providers due to construction of Thermal Power Plant" is not rejected. Hence, it may be concluded that indicator average monthly income of developed business opportunities for petty traders / contractors / service providers having different education level is independent of education level and average monthly income of people having any education level is at par.

7.2.2 Interaction between Education and Change in Income Status during last 5 years

One way ANOVA for indicator 'Change in Income Status during last 5 years' of Developed business opportunities for petty traders / contractors / service providers having different education level is presented as below:

Table 5: ANOVA: Change in Income Status during last 5 years

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.175	8	0.147	0.825	0.588
Within Groups	5.167	29	0.178		
Total	6.342	37			

It can be observed from the above table that F value of interaction between education and change in income status during last 5 years is 0.825 with degree of freedom 8, which is not significant. It means that there is no significant difference among perception of respondents having different education level with respect to change in income status during last 5 years. In light of this the null hypothesis namely "There is no significant effect of education on change in income status of petty contractors / traders / service providers in last 5 years due to construction of Thermal Power Plant" is not rejected. Hence, it may be concluded that indicator change in income status of petty traders / contractors / service providers during last 5 years due to developed business opportunities is independent of education level and perception of all people having any education level is at par for this indicator.

7.2.3 Interaction between education and change in living standard during last 5 years

One way ANOVA for indicator 'Change in Living Standard during last 5 years' of Developed business opportunities for petty traders / contractors / service providers having different education level is presented as below:

Table 6: ANOVA: Change in Living Standard during last 5 year

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	0.842	8	0.105	0.872	0.551
Within Groups	3.500	29	0.121		
Total	4.342	37			

It can be observed from the above table that F value of interaction between education and change in living standard during last 5 years is 0.872 with degree of freedom 8, which is not significant. It means that there is no significant difference among perception of respondents having different education level with respect to change in living standard during last 5 years. In light of this the null hypothesis namely "There is no significant effect of education on change in living standard of petty contractors / traders / service providers in last 5 years due to construction of Thermal Power Plant" is not rejected. Hence, it may be concluded that indicator change in living standard of petty traders / contractors / service providers during last 5 years due to developed business opportunities is independent of education level and perception of all people having any education level is at par for this indicator.

8. Conclusion and Suggestions

The study revealed that education has no significant impact on average monthly income, change in income status and change in living standard in last 5 years due to business opportunities developed for petty traders, petty contractors and petty service providers in vicinity of this power project. People having different education level may have different intellectual level. Despite there is no significant difference found in their average monthly income, change in income status and change in living standard. People having different education levels are at par. People having lower education level may have tact of business and may compete with people having higher education level.

People living in vicinity of power project may also try to avail such business opportunities irrespective of their education level. For maintenance of power project spares and consumables also require. People living in vicinity can contact with suppliers settled at far place and get contract for delivery of such items for this power project.

9. Limitations of the study

- The study is limited to the petty contractors / traders / service providers engaged in Kalisindh Thermal Power Plant only; therefore findings cannot be extended to other areas. However, few findings are common, which can be

extended in other areas too.

- For collecting primary data from petty contractors for the study, Non probabilistic convenience sampling has been used and it has its own limitations.
- Results cannot be generalized.

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