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NAVIGATING THE FUTURE: STARTUP CHALLENGES FACED BY COMMERCE GRADUATES

Bushra Sohil Pirani [1] & Adil Atlaf Pirani [2]

[1,2]Master of Commerce, University of Mumbai, India.

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Keywords

Start-ups,
Commerce Graduates,
One Sample t-test.

Abstract

Startups are creative, energetic companies with significant growth potential and a requirement for operational agility. When attempting to upend established markets with distinctive goods or services, they frequently run into resource limitations. Graduates in commerce have a solid background in management, finance, and business principles. Many, nevertheless, find it difficult to use these abilities in the fast-paced, unstructured world of startups. The motivation behind this study is to identify the gaps between academic training and real-work startup demands. The purpose of conducting this research is to evaluate the challenges faced by commerce graduates in startups. The technique used in this study is one sample t-test. The findings of the study indicated that Cash Flow Management, Inefficient Decision-Making, Scaling the Business, Work-life Balance, and Retaining Customers are low impact challenges. However, Limited Initial Capital, Lack of Financial Backup, High Operational Costs, Hiring and Team Building, building a Customer Base, Sales Strategies, Lack of Technical Skills, and Innovation Challenges (Staying unique and creative in a crowded market) are high impact challenges.

1. INTRODUCTION

Today's education is focused on the world. The world is ruled by knowledge and information these days. In this situation, commerce education has a bright future as a live educational discipline that cultivates the information, abilities, and mind-set needed to manage trade, commerce, and industry

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successfully. Regulations from the World Bank, IMF, and WTO affect commerce education in India in both positive and negative ways. Corporate business entities are expanding their operations globally as a result of economic integration. Today's company offers a wide range of employment prospects worldwide, but it also presents risks and problems. Corporate entities must be run by a pool of talented and skilled managers, and the global labor market demands multiskilled workers more than just skilled workers.

The fact that India is a young nation is beneficial in light of globalization. Commerce education institutions must produce top-tier graduates to meet their responsibilities and surpass their global peers. Meeting the demands of the labor market is the duty of commerce educational institutions. The difficult task of developing students with a variety of skills, including "creativity and innovation, information technology proficiency, the capacity to make decisions in a changing environment, human resource development, services management, entrepreneurial skills, stress management, and strategic skills," is a challenge for commerce education in India. In India, the federal government and the state share responsibilities for education. Numerous issues plague commerce education in India, including a dearth of top-tier business and management schools, poor teaching facilities, and a lack of learning resources.

Startups are new businesses that are just getting started, starting to expand and are usually funded by one person or a small group of people. Owners of new businesses are known as entrepreneurs, and they bear all of the risk and profit. In this startup era, the government is making every effort to support entrepreneurs by offering both monetary and non-monetary incentives. There are still many bottlenecks, even though the government helps new business owners. Some of these can be controlled, while others are beyond the entrepreneurs' control; therefore, identifying those problems could be the first step. Angel investors are scarce, there is a lack of infrastructure, poor mentoring, insufficient technical and commercial expertise, and numerous other problems. (Anitha, & Veena, 2022).

2. REVIEW OF LITERATURE

1. **Kushwaha, P. K. (2024)**

The purpose of the study was to investigate the difficulties encountered by Indian student entrepreneurs, with an emphasis on the variables that impact their entrepreneurial path. The survey discovered that societal preconceptions, complicated regulatory procedures, lack of mentorship, and restricted access to capital were among the major obstacles faced by student entrepreneurs. The educational system and cultural norms shaped their entrepreneurial spirit and propensity to launch firms.

2. Anitha, Mrs., & Veena, Dr. (2022)

Examined how well government programs assist Indian startup entrepreneurs and to assess the difficulties they encounter. Startups face several significant obstacles, according to the survey, including restricted marketing options, financial limits, regulatory barriers, and digital illiteracy. Many entrepreneurs are unaware of the benefits offered by programs like "Startup India, Stand Up India, Atmanirbhar Bharat, and Mudra Yojana," which prevents them from taking advantage of them. Solutions like government-run mentorship programs, courses on digital literacy, and better banking assistance were recommended by the report.

3. Chincholkar, Dr. Sujata (2021)

The study "Bottleneck to success: scaling up issues of start-ups" examined how many startups face

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significant obstacles during the scaling up phase. The qualitative study looks at the challenges that new businesses face as they grow their operations. The findings indicate that among the main obstacles start-ups encounter when scaling up by creating a model are a lack of funding, hiring qualified personnel, and product approval.

4. Kumar Mohan (2021)

Startups, Barriers and its Opportunities in India' was the topic of the paper. According to the survey, there are numerous obstacles that entrepreneurs must overcome, such these. such as a lack of technical knowledge and a government funding scheme that is opaque. These commercial intermediate centres, which will function under government oversight and be rated according to their performance, must be established by the government.

5. Arana Kausar & Md.Aziz Ahmed (2020)

The study on financial literacy fostering sustainable businesses in India looked at case studies of Indian startup failures brought on by a lack of market demand for products or services, financial illiteracy, and financial insufficiencies. The study concluded that entrepreneurs need to be financially literate. Entrepreneurs who are not financially literate face the risk of failing and alienating investors. Every investment must have its returns evaluated, thus knowing financial management is crucial.

6. Pinto, S., et al (2020)

This study sought to determine whether graduate students were prepared to pursue entrepreneurship as a career and whether entrepreneurial skills were more important than entrepreneurial intention. According to the survey, graduate students with backgrounds in science, business, and the arts expressed interest in entrepreneurship, but there were differences in their readiness and level of participation. The importance of entrepreneurial abilities in influencing students' job decisions was emphasised by the analysis.

3. OBJECTIVES OF THE STUDY

1. To Analyse the Challenges Faced by Commerce Graduates in Startups
2. To give appropriate suggestions to overcome the challenges.

Hypothesis:

Null Hypothesis (H_0):

The mean score of the challenges faced by commerce graduates in startups is equal to or less than 3, indicating a low impact.

Alternative Hypothesis (H_1):

The mean score of the challenges faced by commerce graduates in startups is greater than 3, indicating a high impact.

4. RESEARCH METHODOLOGY

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Table 1: Research Methodology

Research Design	**Descriptive**
Data Collection	Primary and Secondary
Sampling Technique	Non-Probability Purposive Sampling
Sample Size	75 Commerce Graduates
Sample Size Determination	According to Faul et al. a minimum sample size of 45 is required for conducting a one-tailed one-sample t-test.
Statistical Technique	Parametric One-Sample t-test
Statistical Tool	R Studio Software

Data Analysis and Interpretation:

Table 2: One sample t test

Items	t – statistics	P – value	Ha: mean score of Challenges faced by commerce Graduates in Start Ups:> 3
Limited Initial Capital	19.09	0.000	High Impact
Cash Flow Management	-19.43	1	Low Impact
Lack of Financial Backup	20.00	0.000	High Impact
High Operational Costs	21.22	0.000	High Impact
Hiring and Team Building	21.09	0.000	High Impact
Inefficient Decision-Making	-20.76	1	Low Impact
Scaling the Business	-21.34	1	Low Impact
Work-life Balance	-22.78	1	Low Impact
Building a Customer Base	20.76	0.000	High Impact
Retaining Customers	-20.18	1	Low Impact
Sales Strategies	19.00	0.000	High Impact
Lack of Technical Skills	20.16	0.000	High Impact
Innovation Challenges (Staying unique and creative in a crowded market)	18.45	0.000	High Impact

The analysis of challenges faced by commerce graduates in startups reveals the following findings. Limited Initial Capital had a t-statistic of 19.09 with a p-value of 0.000, indicating a high impact. Cash Flow Management showed a t-statistic of -19.43 with a p-value of 1, reflecting low impact. Lack of Financial Backup had a t-statistic of 20.00 with a p-value of 0.000, confirming a high impact. High Operational Costs showed a t-statistic of 21.22 with a p-value of 0.000, suggesting a high impact as well. Hiring and Team Building had a t-statistic of 21.09 and a p-value of 0.000, signifying high impact. Inefficient Decision-Making showed a t-statistic of -20.76 with a p-value of 1, indicating low impact. Scaling the Business had a t-statistic of -21.34 with a p-value of 1, reflecting low impact.

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Work-life Balance showed a t-statistic of -22.78 and a p-value of 1, suggesting a low impact. Building a Customer Base had a t-statistic of 20.76 with a p-value of 0.000, indicating high impact. Retaining Customers showed a t-statistic of -20.18 with a p-value of 1, reflecting low impact. Sales Strategies had a t-statistic of 19.00 with a p-value of 0.000, signifying a high impact. Lack of Technical Skills showed a t-statistic of 20.16 with a p-value of 0.000, confirming a high impact. Innovation Challenges had a t-statistic of 18.45 with a p-value of 0.000, indicating a high impact.

In most of the cases P value < 0.05 thus Null Hypothesis is rejected and it can be concluded that the mean score of the challenges faced by commerce graduates in startups is greater than 3, indicating overall high impact.

5. CONCLUSION:

The research identifies several significant challenges that commerce graduates in startups face, but the most significant ones are financial in nature, including little initial capital and no financial support, as well as high running costs. Additionally, challenges with hiring and team building, customer base building, sales techniques, and innovation all displayed high t-statistics and low p-values, suggesting that these were significant elements influencing the performance of the business. Nevertheless, issues with cash flow management, poor decision-making, business scalability, and work-life balance were found to have less of an impact; high p-values indicate that these factors are not as important as they need to be.Overall, this study emphasises that overcoming the obstacles faced by commerce graduates in startups requires resolving operational and financial barriers, encouraging innovation, and assembling capable teams.

Suggestions:

The government can help new businesses by offering grants, tax breaks, and low-interest loans, as well as by developing initiatives to lower operating expenses. Offering tax benefits for recruiting new grads is another way it can promote job development. In the meanwhile, educational institutions ought to concentrate on giving students real-world entrepreneurial skills, making finance access easier, and establishing solid industry ties for mentoring and team-building. This cooperative strategy would assist graduates in overcoming obstacles such as a lack of funding, high operating expenses, and trouble finding qualified candidates.

6. AUTHORS CONTRIBUTION

The authors agreed to have no connections or engagements with any group or body that provides financial and non-financial assistance for the topics and resources covered in the article.

7. CONFLICT OF INTEREST

The authors declared that no potential conflicts of interest concerning the research, authorship, and/or publication of this article.

8. PLAGIARISM POLICY

The authors declare that any kind of violation of plagiarism, copyright, and ethical matters will be handled by all authors. Journalists and editors are not liable for the aforesaid matters.

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