AN EXPLORATORY STUDY ON THE CHALLENGES FACED BY COMMERCE GRADUATES IN STARTUPS

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Keywords	Abstract
Exploratory, startups, commerce graduates, NVIVO, Word Cloud, Text Mining.	Graduates in commerce are highly valued in the corporate sector because they possess expertise in management, finance, and business operations. Startups, renowned for their inventiveness and quick expansion, offer chances for professional growth, exposure to entrepreneurship, and skill development. Nonetheless, a lot of recent graduates in commerce find it difficult to adjust to the fast-paced, resource-constrained world of startups. This study explores the challenges faced by commerce graduates in startups. The technique used in the current study is Text mining using the qualitative tool NVIVO 12. The findings of the study indicated that the major challenges faced by commerce graduates in start-ups Retaining Customers, Initial capital, Building a Customer Base, and Lack of Technical Skills. Moderate challenges are Hiring and Team Building, efficient decision-making, Cash Flow Management, and Work-life Balance. Whereas minor challenges are Lack of Financial Backup, Scaling the Business, High Operational Costs, and Innovation Challenges.

1. INTRODUCTION

A start-up, often known as a startup, is a young business that is only starting to grow. Typically, startups are small businesses that are first funded and run by one person or a small group of founders. These businesses provide goods or services that are either not available elsewhere in the market at the moment or that the owners feel are being provided in a subpar way. Startup businesses typically spend more money in the early phases than they make while they create, test, and promote their ideas. As a result, they frequently need funding. Startups can be financed by grants from state and non-profit

governments, government-sponsored Small Business Administration loans from nearby banks, or regular small business loans from banks or credit unions. "A startup is a business that aims to expand quickly. A company is not necessarily a startup just because it was recently established. Nor is it necessary for a startup to work on technology, or take venture funding, or have some sort of "exit". Growth is the only thing that matters. Everything else we associate with startups follows from growth (Banudevi, P. B., & Shiva, G. (2019).

The phrase "start-up" has been around for a while and refers to a company that is brand-new and has just begun operations. Even today's quite substantial organisations may have started out as start-ups. A modest new company in the early 1900s would have been seen as a (pretty) substantial new company in the middle of the 1950s (Box, 2011). However, the Indian government has just lately provided an official definition of the term about India. The Indian Ministry of Commerce and Industry published a notice to define "start-ups," according to the Economics Times (2016). An organisation will be classified as a start-up by the government notification:

- That is focused on technology.
- That has at least 20% equity funding.
- Up to seven years after the date of incorporation, and during those five years, the turnover shouldn't exceed INR 25 crores.
- It is not a start-up to organise a portion of the company into a distinct entity.

Graduates in commerce have a foundational understanding of business, finance, accounting, and management, which gives them the tools they need for positions in corporations and startups. They receive instruction in financial analysis, marketing tactics, commercial operations, and economic fundamentals. But even with their academic training, many recent graduates in commerce struggle to adapt their theoretical knowledge to practical business situations, especially in fast-paced settings like startups.

2. REVIEW OF LITERATURE

2.1 Safdar, D., & Qamar, U. (2023)

Examined the dynamics and importance of company incubation in assisting aspiring entrepreneurs. The findings indicated that NIC, Lahore, Pakistan provided networking, coaching, and beneficial resources, but it was discovered that the graduates still faced a lot of difficulties. There is an absence of expected networking facilities, technical help, limited funding and legal assistance.

2.2 Usman, H. (2023)

Examined the abilities of unemployed graduates and their need to be self-sufficient and also explored the obstacles faced by them in effectively applying entrepreneurial skills. It was found that inadequate mentoring and assistance, lack of funds, and too much reliance on government jobs were the main hurdles faced by the unemployed graduates. These obstacles made it difficult for the graduates to use their entrepreneurial skills.

2.3 Banudevi, P. B., & Shiva, G. (2019)

Explored the challenges startups face when trying to get finance in India, as well as the availability of financial resources. The outcome of the study indicated that acquiring finance was a huge challenge for Indian businesses, mostly importantly because the country's strict credit needs and limited capital options. The economic downfall in the country and the growing trend of low initial investments in early-stake of the firms made the fund accusation even more difficult. Also, it was seen that the
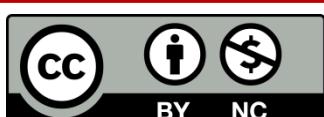
investors want to see results first before they invest in a startup.

2.4 Girotra, R., & Kaushik, T. (2018)

Determined the major challenges Indian e-commerce startups experienced in finding well-qualified staff. The results of the study indicated that the competition from already established companies and the unpredictable nature of startup environments make it hard for e-commerce startups to draw well-qualified staff. Candidates who are from top universities and have prior experience are mostly preferred by the startups. The characteristics that the startups look for in employees are leadership quality, flexibility, cultural fit, enthusiasm, and self-motivation towards the company.

2.5 Chanin, R., et al. (2018)

Assessed the challenges-based startup learning framework to give the students first-hand experience to the undergraduate students learning digital entrepreneurship. The students successfully experienced the framework and it helped them in comprehending the requirements for managing actual startups. The workshop improved the entrepreneurial skills of the students and allowed them to close the gap between practical setup and classroom teaching.

2.6 Guerrero, M., et al. (2018)

Investigated the elements that influenced graduate startup development from a multi-campus entrepreneurial institution. University mechanisms like incubators and research parks had little effect on encouraging entrepreneurship among graduates, according to the study, which concluded that individual factors were the most important factor in graduate entrepreneurship.

3. OBJECTIVES OF THE STUDY

(i) To explore the challenges faced by commerce graduates in startups

(ii) To give suggestions for improving the employability and success of commerce graduates in startup environments.
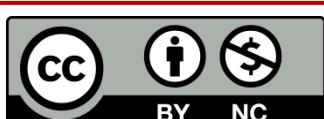
4. RESEARCH METHODOLOGY

Table 1: Research Methodology

Research Design	Qualitative and Exploratory
Research Approach	Inductive Approach
Data Collection Method	Face-to-face interviews
Sample Size	95 Commerce graduates
Location	North Mumbai Region
Sampling Technique	Non-random Convenience Sampling
Analysis Tool	NVIVO 12
Analysis Technique	Text Mining (Mind Map, Word Frequency, and Word Cloud)

Data Analysis and Interpretation:

Table 2: Summary of Challenges faced by commerce Graduates in Start Ups

Word	Length	Count	Weighted Percentage (%)
Retaining Customers	18	31	11.97
Initial capital	14	29	11.20
Building a Customer Base	12	25	9.65

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Lack of Technical Skills	9	25	9.65
Hiring and Team Building	6	24	9.27
Inefficient Decision-Making	14	23	8.88
Cash Flow Management	8	22	8.49
Work-life Balance	15	19	7.34
Lack of Financial Backup	9	17	6.56
Scaling the Business	7	17	6.56
High Operational Costs	16	16	6.18
Innovation Challenges	10	11	4.25

As per table no: 2 the most frequent keywords generated towards exploring **challenges faced by commerce graduates in start-ups.** Retaining Customers with 31 counts and a weighted percentage of 11.97, Initial capital with 29 counts and a weighted percentage of 11.20, Building a Customer Base with 25 counts and a weighted percentage of 9.65, Lack of Technical Skills with 25 counts and a weighted percentage of 9.65, Hiring and Team Building with 24 counts and a weighted percentage of 9.27, Inefficient Decision-Making with 23 counts and a weighted percentage of 8.88, Cash Flow Management with 22 counts and a weighted percentage of 8.49, Work-life Balance with 19 counts and a weighted percentage of 7.34, Lack of Financial Backup with 17 counts and a weighted percentage of 6.56, Scaling the Business with 17 counts and a weighted percentage of 6.56, High Operational Costs with , 16 counts and a weighted percentage of , 6.18, and Innovation Challenges with , 11 counts and a weighted percentage of , 4.25.

Figure 1: Word cloud

A word cloud is a graphic representation of text data in which the size of phrases indicates their frequency, with larger words denoting more common keywords. In a dataset, it facilitates the rapid discovery of important themes or words. As per Figure no: 1 it is seen the major challenges faced by commerce graduates in start-ups Retaining Customers, Initial capital, Building a Customer Base, and Lack of Technical Skills. Moderate challenges are Hiring and Team Building, Inefficient Decision-Making, Cash Flow Management, and Work-life Balance. Whereas minor challenges are Lack of Financial Backup, Scaling the Business, High Operational Costs, and Innovation Challenges.
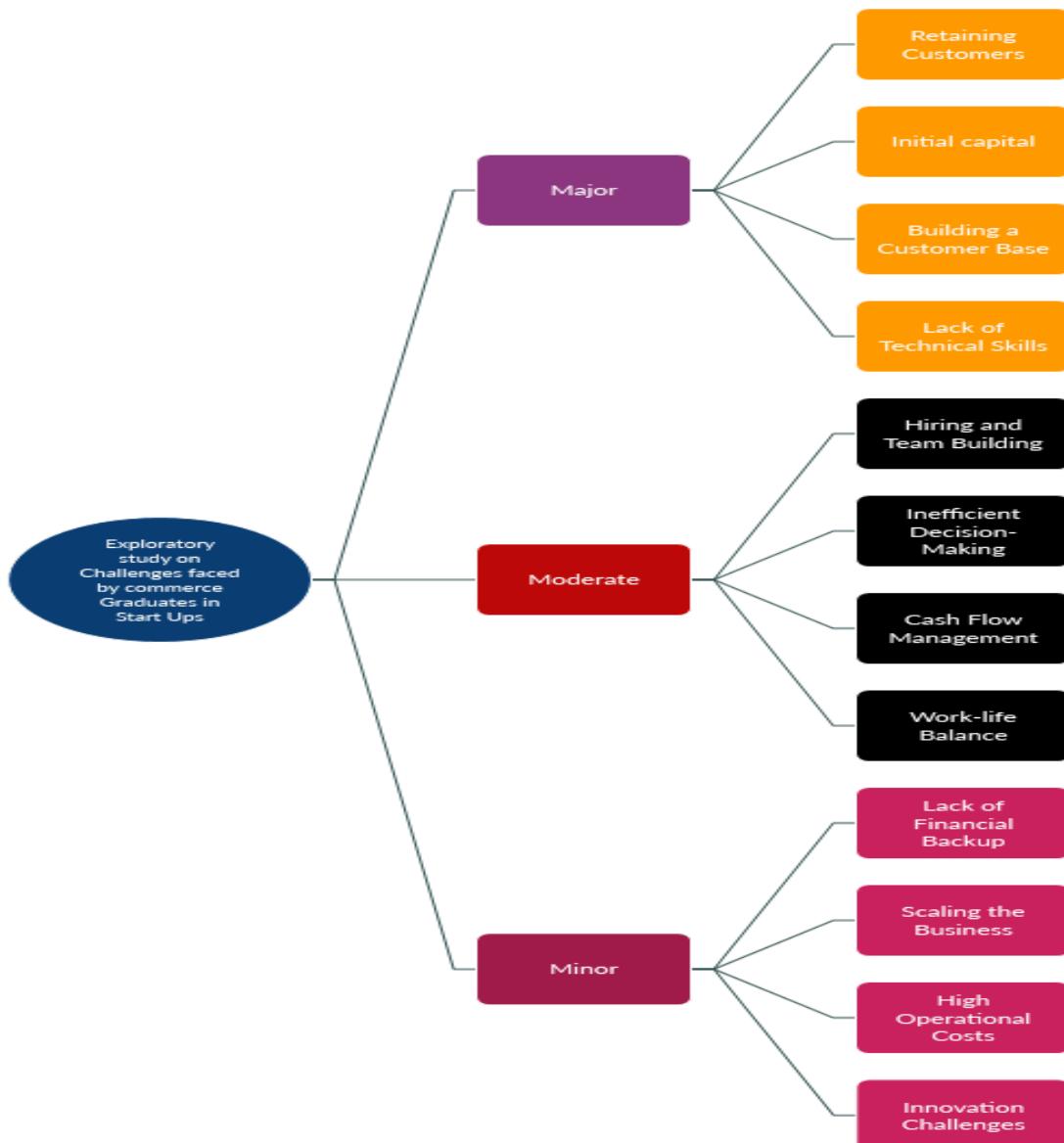
Figure 2: Mind map

As per Figure no: 2 it is seen the major challenges faced by commerce graduates in start-ups Retaining Customers, Initial capital, Building a Customer Base, and Lack of Technical Skills. Moderate challenges are Hiring and Team Building, Inefficient Decision-Making, Cash Flow Management, and Work-life Balance. Whereas minor challenges are Lack of Financial Backup, Scaling the Business, High Operational Costs, and Innovation Challenges.

5. CONCLUSION

The analysis of the study found that securing early investment, retaining customers and building loyal customer base are the main obstacles faced by recent graduates joining the startup environment. The commerce graduates lack technical expertise; they also have a harder time adjusting to the fast-paced startup environment. It was further seen that minor problems included financial backup, high operating cost, and limitations on innovation, moderate hurdles like hiring, team management and cash flow control affect the company's stability. For commerce graduates to successfully participate in startups and contribute to and maintain their entrepreneurial endeavours, these issues must be resolved.

6. SUGGESTIONS

Educational institutions should provide startup-focused training programs that improve financial planning, customer acquisition tactics, and entrepreneurial abilities in order to increase the employability and success of commerce graduates in startups. Real-world exposure to business management can be obtained through mentorship programs, startup incubators, and practical internships. Gaining technical expertise will help graduates better navigate the competitive environment, particularly in the areas of digital marketing, analytics, and e-commerce. Promoting peer learning, industry partnerships, and networking opportunities can improve their capacity to form and lead teams. Programs for financial literacy should also be implemented to assist graduates in comprehending cash flow management, investment strategies, and business scalability. The development of an innovative, flexible, and resilient attitude can help commerce graduates succeed in the fast-paced startup world.

7. AUTHOR(S) 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.

8. CONFLICT OF INTEREST

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

9. 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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The author(s) declares that the study do not involve any financial aid /support from any private or government organization.

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