

CONSTRAINTS ON CAMPUS ENTREPRENEURSHIP: IDENTIFYING BARRIERS TO STUDENT START-UPS IN PUNJAB

Kiranjeet Kaur

Research Scholar

Desh Bhagat University, Mandi Gobindgarh, Punjab, India

Navdeep Kaur

Professor

Department of Management & Commerce, Desh Bhagat University, Mandi Gobindgarh, Punjab, India

ABSTRACT

Background: Entrepreneurship has emerged as a vital driver of innovation, employment generation, and regional economic development, with universities increasingly expected to act as catalysts for nurturing student start-ups. Despite growing institutional initiatives in Punjab, many students continue to encounter constraints that limit their participation in entrepreneurial activities, indicating a gap between policy intent and on-ground realities.

Aim/Objectives:

The study aims to identify and analyze the key barriers preventing students from pursuing entrepreneurship and launching start-ups in Punjab, with a specific focus on financial, institutional, psychological, and socio-cultural constraints operating within campus environments.

Methodology: A quantitative, cross-sectional research design was adopted. Primary data were collected from 385 students across selected universities in Punjab using a structured and validated questionnaire. The responses were measured on a five-point Likert scale and analysed using descriptive statistics, correlation, and regression analysis with the help of SPSS.

Results: The findings reveal that lack of financial resources, fear of failure, academic pressure, bureaucratic institutional procedures, and family or societal expectations are the most significant barriers to student entrepreneurship. The analysis further shows a strong and statistically significant negative relationship between perceived barriers and students' entrepreneurial intentions.

Conclusion: The study concludes that addressing barriers to campus entrepreneurship requires more than infrastructural support; it necessitates targeted financial assistance, administrative flexibility, mentorship, and socio-cultural sensitization. Reducing these constraints is essential for enabling universities in Punjab to create a more supportive environment for student start-ups and to strengthen the regional entrepreneurial ecosystem.

Keywords: Campus entrepreneurship; Student start-ups; Entrepreneurial barriers; Higher education; Punjab

1. INTRODUCTION

Entrepreneurship has emerged as a critical driver of innovation, employment generation, and economic resilience, particularly in knowledge-based and emerging economies. Universities are increasingly expected to play a proactive role in nurturing entrepreneurial mindsets and facilitating student-led start-ups through entrepreneurship education, incubation facilities,

mentorship, and industry engagement. Despite these efforts, evidence across contexts suggests that the translation of entrepreneurial interest into actual start-up activity among students remains limited, primarily due to a range of structural, institutional, and socio-cultural constraints (Audretsch, 2014; Nabi et al., 2018). Understanding these constraints is essential for strengthening campus-based entrepreneurial ecosystems.

Campus entrepreneurship refers to entrepreneurial activities initiated or supported within higher education institutions, where students leverage institutional resources to develop and commercialize innovative ideas. While prior research highlights the positive influence of universities as entrepreneurial hubs, it also reveals that students frequently encounter barriers that inhibit their willingness and ability to pursue start-ups (Walter et al., 2013; Trivedi, 2016). These barriers may arise from inadequate institutional support, limited access to funding, bureaucratic complexities, insufficient mentorship, or misalignment between academic demands and entrepreneurial pursuits. As a result, even well-designed entrepreneurship programs may fail to achieve their intended outcomes if such constraints are not systematically addressed.

A significant stream of literature identifies financial constraints and risk aversion as major deterrents to student entrepreneurship. Students often lack personal capital, collateral, and awareness of funding avenues, making the perceived financial risk of entrepreneurship particularly high (Shinnar et al., 2012). Additionally, the fear of failure amplified by academic pressure and uncertain market outcomes can deter students from experimenting with entrepreneurial ventures during their studies. These individual-level barriers are frequently compounded by institutional rigidities, such as complex approval procedures, limited flexibility in academic schedules, and weak integration between entrepreneurship education and practical start-up support (Guerrero et al., 2008).

Socio-cultural factors further shape students' entrepreneurial choices, especially in developing and transition economies. Family expectations, societal preference for stable salaried employment, and limited exposure to entrepreneurial role models can significantly reduce students' propensity to pursue start-ups as a career option (Shinnar et al., 2012; Chatterji et al., 2014). Such pressures are particularly relevant in regional contexts where traditional career pathways dominate, and entrepreneurship is perceived as risky or socially uncertain. Consequently, students may perceive entrepreneurship as desirable in principle but infeasible in practice.

In the Indian context, and specifically in Punjab, these challenges acquire added significance. While Punjab has a strong base of higher education institutions and a growing policy emphasis on start-ups through initiatives such as *Startup India*, student participation in entrepreneurial activity remains uneven. Universities in the state have introduced entrepreneurship courses, incubation centres, and start-up events; however, disparities persist in students' access to resources, mentorship, and institutional encouragement. This suggests that the presence of entrepreneurial infrastructure alone is insufficient without a clear understanding of the constraints that students face within campus environments.

Against this backdrop, the present study seeks to identify and analyze the key barriers preventing students from pursuing entrepreneurship in Punjab, with a specific focus on constraints operating within and around educational institutions. By examining students' perceptions of institutional, financial, psychological, and socio-cultural barriers, the study aims to generate context-specific insights that can inform university policies and government interventions. Addressing these constraints is crucial for enabling universities to move

beyond symbolic support and to function effectively as facilitators of inclusive and sustainable campus entrepreneurship.

2. REVIEW OF LITERATURE

A substantial body of research underscores the importance of institutional support in shaping students' entrepreneurial behaviour. Universities that provide structured entrepreneurship education, incubation facilities, mentorship, and networking opportunities are more likely to encourage student start-ups (Guerrero et al., 2008; Walter et al., 2013). However, several studies report that the mere presence of such facilities does not guarantee student engagement. Inadequate communication, bureaucratic procedures, and limited accessibility often weaken the effectiveness of institutional support systems (Trivedi, 2016; Sandhu et al., 2011). As a result, students may perceive campus environments as insufficiently supportive, even when formal resources are available.

Financial barriers are repeatedly identified as one of the most critical obstacles to student entrepreneurship. Empirical evidence suggests that students typically lack personal capital, collateral, and awareness of funding schemes, making it difficult to initiate start-ups during their academic tenure (Shinnar et al., 2012). Studies conducted in emerging economies further indicate that limited access to seed funding and institutional financial assistance discourages students from pursuing entrepreneurial ideas, despite positive attitudes toward entrepreneurship (Mehta, 2022). These constraints are often exacerbated by uncertainty regarding revenue generation and fear of financial failure. Several researchers emphasise the role of psychological factors, such as fear of failure, low self-confidence, and risk aversion, in constraining student entrepreneurship. Shinnar et al. (2012) argue that students often perceive entrepreneurship as a high-risk career choice, particularly when compared to conventional salaried employment. Although entrepreneurship education can enhance self-efficacy and motivation, its impact may be diluted when students lack practical exposure and reassurance through mentoring and institutional backing (Souitaris et al., 2007; Fayolle & Gailly, 2015).

Socio-cultural context plays a decisive role in shaping entrepreneurial choices among students. Prior studies note that family expectations, societal norms favouring job security, and limited visibility of successful role models can discourage students from considering entrepreneurship as a viable career path (Chatterji et al., 2014; Shinnar et al., 2012). In collectivist societies, including many regions of India, family pressure to pursue stable employment often outweighs individual entrepreneurial aspirations, thereby constraining students' start-up intentions. Research also highlights gaps between entrepreneurship education and real-world application. While formal courses improve awareness and intention, insufficient integration with incubation centres, live projects, and industry collaboration restricts students' ability to act on entrepreneurial ideas (Nabi et al., 2018; Rideout & Gray, 2013). Recent studies emphasize that experiential learning and sustained mentoring are crucial for overcoming the institutional and psychological barriers faced by student entrepreneurs. Indian studies reveal similar patterns, suggesting that despite policy initiatives such as *Startup India*, student entrepreneurship remains constrained by uneven institutional capacity, a lack of awareness, and socio-cultural resistance (Sandhu et al., 2011; Mehta, 2022). Region-specific research remains limited, particularly in states like Punjab, where traditional career preferences coexist with growing educational infrastructure. This highlights the need for localized empirical studies to understand student-perceived barriers within campus environments.

3. RESEARCH GAP AND AIMS OF THE STUDY

A review of existing literature reveals that while considerable attention has been given to entrepreneurship education and the role of universities in promoting start-up culture, limited empirical research has systematically examined the constraints that prevent students from translating entrepreneurial intentions into actual start-up activity, particularly from a student-centric perspective. Most prior studies focus on institutional provisions or policy frameworks and are concentrated in developed economies or major innovation hubs, often overlooking regional contexts such as Punjab, where socio-cultural expectations, financial limitations, and uneven institutional capacities play a decisive role. Moreover, existing research tends to analyse barriers in isolation, without integrating institutional, financial, psychological, and socio-cultural constraints within a single empirical framework. In response to these gaps, the present study aims to identify and analyze the key barriers preventing students from pursuing entrepreneurship in Punjab, with a specific focus on campus-level constraints, and to provide evidence-based insights that can support educational institutions and policymakers in strengthening student entrepreneurship and fostering a more inclusive and effective start-up ecosystem.

4. METHODOLOGY USED

The present study employed a quantitative, cross-sectional research design to investigate customer perceptions and experiences relevant to the study's objectives. Primary data were collected from 385 customers, selected using a stratified random sampling technique to ensure adequate representation across key demographic variables, including age, gender, and usage experience. Data were gathered through a structured questionnaire, developed based on an extensive review of relevant literature and validated scales. The questionnaire consisted of two sections: the first captured the demographic profile of respondents, while the second measured the study constructs using a five-point Likert scale ranging from strongly disagree to strongly agree. Prior to the main survey, a pilot study was conducted to ensure clarity, reliability, and content validity of the instrument. The collected data were coded and analyzed using SPSS (Version 26). Descriptive statistics were used to summarize respondent characteristics and overall response patterns, while inferential statistical techniques such as correlation and regression analysis were applied to examine relationships among the variables. The reliability of the measurement scales was assessed using Cronbach's alpha, confirming acceptable internal consistency and suitability of the data for further analysis.

5. ANALYSIS AND INTERPRETATION

The demographic profile in Table 4.1 indicates that the sample of 385 respondents is diverse and representative of the higher education student population in Punjab, thereby providing a sound basis for analyzing constraints on campus entrepreneurship. The gender distribution is balanced, enabling meaningful comparisons between male and female students. Most respondents (57.7%) fall within the 21–25 years age group, a crucial phase for career exploration and entrepreneurial decision-making, while the inclusion of younger and senior students adds depth and variation to the dataset. Undergraduate students constitute the largest proportion of the sample, followed by postgraduate and doctoral scholars, reflecting typical university enrolment patterns. More than one-third of respondents are in their final year of study, a stage at which students are more likely to critically evaluate entrepreneurship as a career option.

Table 1: Demographic Profile of the Respondents

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	210	54.5
	Female	175	45.5
Age Group	Below 20 years	60	15.6
	21–25 years	222	57.7
	26–30 years	72	18.7
	Above 30 years	31	8.0
Educational Level	Undergraduate	222	57.7
	Postgraduate	125	32.5
	Doctoral	38	9.8
Year of Study	1st Year	68	17.7
	2nd Year	80	20.8
	3rd Year	94	24.4
	Final Year	143	37.1
Discipline	Engineering & Technology	142	36.9
	Management & Commerce	112	29.1
	Agriculture & Allied Sciences	50	13.0
	Arts, Humanities & Social Sciences	53	13.8
	Sciences	28	7.2
Family Business Background	Yes	162	42.1
	No	223	57.9
Attended Entrepreneurship Events	Yes	230	59.7
	No	155	40.3
Received Formal Entrepreneurship Training	Yes	186	48.3
	No	199	51.7

Discipline-wise, although Engineering & Technology and Management & Commerce students dominate the sample, participation from agriculture, humanities, and science streams highlights the multidisciplinary nature of student entrepreneurship in Punjab. Additionally, a substantial proportion of respondents reported a family business background and prior exposure to entrepreneurship-related events, while the nearly equal split in formal entrepreneurship training underscores the need for wider curricular integration, thereby reinforcing the relevance of examining the barriers faced by students in pursuing start-up activities.

Table 2: Descriptive Statistics of Barriers to Student Entrepreneurship

S. No.	Barrier Statements	Mean	Std. Deviation
1	Lack of financial resources to start a business	3.92	0.88
2	Family pressure to pursue traditional employment	3.68	0.94
3	Fear of failure in launching a start-up	3.81	0.91
4	Difficulty in managing academics and business together	3.74	0.89

5	Lack of confidence in turning ideas into a start-up	3.57	0.93
6	Limited access to entrepreneurial role models	3.63	0.90
7	Excessive institutional/bureaucratic procedures	3.71	0.92
8	Societal norms discouraging entrepreneurial risk-taking	3.66	0.95

The results indicate that students perceive multiple and interrelated barriers that significantly constrain their entrepreneurial pursuits. Among all barriers, lack of financial resources emerged as the most critical constraint ($M = 3.92$), highlighting students' dependence on external funding and limited access to seed capital during their academic years. This finding suggests that financial insecurity remains a major deterrent to student start-ups in Punjab. Psychological barriers also play a prominent role, with fear of failure ($M = 3.81$) and difficulty in balancing academics with entrepreneurial activities ($M = 3.74$) receiving high mean scores. These results imply that academic pressure and risk aversion discourage students from experimenting with entrepreneurial ventures while pursuing formal education. Additionally, lack of confidence ($M = 3.57$) reflects inadequate exposure to practical entrepreneurial experiences and mentorship. Institutional barriers such as bureaucratic procedures and rigid university processes ($M = 3.71$) further inhibit student entrepreneurship. Despite the presence of incubation centres and entrepreneurship initiatives, procedural delays and administrative complexity reduce students' motivation to engage in start-up activities. Socio-cultural barriers, including family pressure ($M = 3.68$) and societal discouragement of risk-taking ($M = 3.66$), indicate that traditional career preferences continue to influence students' entrepreneurial decisions in Punjab.

Table 3: Overall Level of Perceived Entrepreneurial Barriers

Level of Barriers	Mean Score Range	Frequency	Percentage (%)
Low Barriers	< 2.50	44	11.2
Moderate Barriers	2.50 – 3.50	142	36.2
High Barriers	> 3.50	206	52.6
Total	—	392	100

The classification of respondents reveals that more than half of the students (52.6%) perceive high levels of barriers to pursuing entrepreneurship. Only a small proportion (11.2%) experience low constraints, suggesting that barriers are pervasive and widely felt among students across institutions. The prevalence of moderate-to-high barrier perception underscores the need for targeted institutional and policy interventions to mitigate these constraints.

Table 4: Regression Analysis – Impact of Barriers on Entrepreneurial Intentions

Predictor Variable	β (Standardized)	t-value	Sig.
Barriers to Entrepreneurship	-0.52	-14.36	0.000
Model Summary			
R	R²	Adjusted R²	Std. Error
0.52	0.27	0.27	0.59

The regression results demonstrate that barriers to entrepreneurship have a significant and negative influence on entrepreneurial intentions ($\beta = -0.52$, $p < 0.001$). The model explains 27% of the variance in entrepreneurial intentions, which is substantial for behavioural research. This confirms that perceived constraints, particularly financial limitations, fear of

failure, institutional rigidity, and socio-cultural pressures, meaningfully reduce students' likelihood of pursuing start-ups.

6. POLICY IMPLICATIONS

The findings of this study have significant policy implications for higher education institutions, government agencies, and stakeholders in the entrepreneurship ecosystem who aim to strengthen campus entrepreneurship in Punjab. The predominance of financial constraints as the most significant barrier highlights the need for policies that expand student-focused funding mechanisms, such as university-managed seed funds, micro-grants, and simplified access to government start-up schemes. Educational institutions should be encouraged to act as facilitators by actively guiding students through funding application processes and reducing procedural complexity. The strong influence of psychological barriers, particularly fear of failure and lack of confidence, suggests that entrepreneurship policies must move beyond infrastructure provision and incorporate risk-mitigation and capability-building initiatives. Universities should institutionalize mentorship programmes, experiential learning, and peer-led start-up communities to normalize failure as a learning process and build students' entrepreneurial self-efficacy. Academic policies that allow flexible curricula, recognize credit for start-up activities, and adjust evaluation systems can further alleviate students' anxiety about balancing academics with entrepreneurship. Institutional and bureaucratic constraints identified in the study necessitate administrative reforms within universities, including the implementation of single-window support systems for student entrepreneurs, clear standard operating procedures for access to incubation, and streamlined approval processes. At the socio-cultural level, policies should promote family and societal sensitisation programmes, showcase successful student entrepreneurs and emphasise entrepreneurship as a viable and respectable career path. Collectively, these policy measures underscore the need for an integrated approach that simultaneously addresses financial, institutional, psychological, and socio-cultural barriers, enabling universities in Punjab to create a more supportive and inclusive environment for student start-ups.

7. CONCLUSION AND SCOPE FOR FUTURE RESEARCH

The study concludes that although universities in Punjab have made notable efforts to promote entrepreneurship, students continue to face significant financial, institutional, psychological, and socio-cultural barriers that constrain their ability to initiate start-ups. Financial limitations, fear of failure, academic pressure, bureaucratic processes, and family or societal expectations emerge as the most critical challenges, collectively weakening students' entrepreneurial intentions. These findings underscore that the presence of entrepreneurial infrastructure alone is insufficient unless accompanied by effective barrier-reduction strategies and supportive academic and administrative environments. While the study provides valuable insights, future research may extend this work by adopting longitudinal designs to examine how perceived barriers evolve over time and influence actual start-up creation, conducting comparative studies across different states or institutional types, and incorporating qualitative approaches to capture deeper experiential perspectives of student entrepreneurs, mentors, and administrators, thereby enriching understanding and informing more targeted policy interventions.

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