



**EFFECT OF WORK EXPERIENCE ON NEW BUSINESS OPPORTUNITIES – A STUDY OF
KALISINDH THERMAL POWER PROJECT**

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Abstract

Work experience develops foresightedness to analyze the available new opportunities in environment and grab them in time for reap/exploit the benefits. People having different levels of work experience 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 new business opportunities developed for petty contractors / traders / service providers. People having different levels of work experience may have different ideas to cash the new opportunities developed. This paper presents the findings emerged from analysis of new business opportunities developed for people having different levels of work experience. A 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 has been carried out. During survey a structured questionnaire was filled for gathering required information. 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, Work experience, Petty contractors.

1. Introduction

Construction of any project opens a door of new business opportunities. People having different levels of work experience may have different point of views to analyze these opportunities. Work experience develops foresightedness to analyze the opportunities. But it doesn't mean that people having lower level of work experience cannot deal with the new business opportunities developed.

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

Busenitz et.al (2003) stated that opportunities are one of the key concepts that define the boundary and exchange conditions of the entrepreneurship field.

In this study effect of work experience 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) 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.

Douglass (1976) addressed the myth in his study that concluded that entrepreneurs may have been poorly educated in the past.

Stevenson (1983) considered general business school alumni and found that between 11% and 35% of the graduates from the Harvard School of Business were self-employed.

Borjas (1986) defined a "self-employed person" as one whose primary job was in the self-employment sector.

McMullan (1988) summarized five studies that analyzed the business development by participants in entrepreneurship programs.

Gartner (1988) and Shane & Venkataraman (2000) 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.

Katz (1991) reported 102 endowed positions (both chairs and professorships) in entrepreneurship and free enterprise.

Bates (1995); Gimeno, et al. (1997); Robinson and Sexton (1994) stated that there were studies showing labor market experience, management experience, and previous entrepreneurial experience as significantly related to entrepreneurial activity, particularly when controlling for factors such as industry and gender.

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

Ardichvili et al. (2003) contended that identifying opportunities for new businesses is one of the most important abilities of successful entrepreneurs.

Eckhardt and Shane (2003) noted and focused on identifying those people in society who preferred to become entrepreneurs towards understanding the nexus of enterprising individuals and valuable opportunities. This new focus had required explaining the role of opportunities in the entrepreneurial process.

Grimsey & Lewis (2004) developed a framework which can assess ongoing business viability and capacities of the contractor to meet requirements for the term of the contract.

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

Hansen & Shrader, (2007) described opportunity as a central concept for entrepreneurship. They also defined definition and nature of opportunities.

Ucbasaran et. Al. (2009) stated that experienced entrepreneurs identified more opportunities and exploited more innovative opportunities with greater wealth creation potential.

Short et.al (2010) stated that opportunity is a central concept within the entrepreneurship field. Without an opportunity, there is no entrepreneurship. A potential entrepreneur can be immensely creative and hardworking, but without an opportunity to target with these characteristics, entrepreneurial activities cannot take place.

Hawkins and Little, (2011) explored the interdependence between operational practices and the behaviours that underpin performance and outcomes. They described the concepts of collaboration and partnering. They concluded that the concept must be embedded in the

governance and processes of the organization and reinforced in every aspect of the business through policy, process and systems.

Pauget and Wald (2012) described that in addition to project management techniques and complementary skills, relational competence, i.e. the ability to actively create and develop collaborative relationships is an essential asset for managing project networks.

Autio et. al. (2014) discussed for improve our understanding of the theoretical, managerial, and policy implications of entrepreneurial innovation.

Okoro & Chikuni (2017) discussed the overall power sector reforms as well as they evaluated the opportunities and challenges there from. They said constant power supply is the hallmark of a developed economy.

3. Objectives

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

4. Rationale

Construction of new 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 work experience 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 new business opportunities developed for people having different levels of work experience serving for this power project. This research is to analyze new business opportunities developed for people having different levels of work experience 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

Hypotheses framed and tested for this study are mentioned as below:-

H₁: "There is no significant effect of work experience on average monthly income of petty contractors / traders / service providers due to construction of Thermal Power Plant".

H₂: "There is no significant effect of work experience on change in income status of petty contractors / traders / service providers in last 5 years due to construction of Thermal Power Plant".

H₃: “There is no significant effect of work experience 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 descriptive type of research is used for this study. 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 survey of petty contractors / petty traders / petty service providers has been carried out. A structured questionnaire form was filled during survey 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

Reliability analysis is carried out for identifying internal consistency of the variables. 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

New direct and indirect business opportunities developed for people due to construction of any power project. New business opportunities developed 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 experienced the person is. People having different levels of work experience can avail new business opportunities developed in this power plant. Here in this paper our objective is to study new business opportunities developed for petty traders / contractors / service providers having different levels of work experience. For this purpose following indicators were considered:-

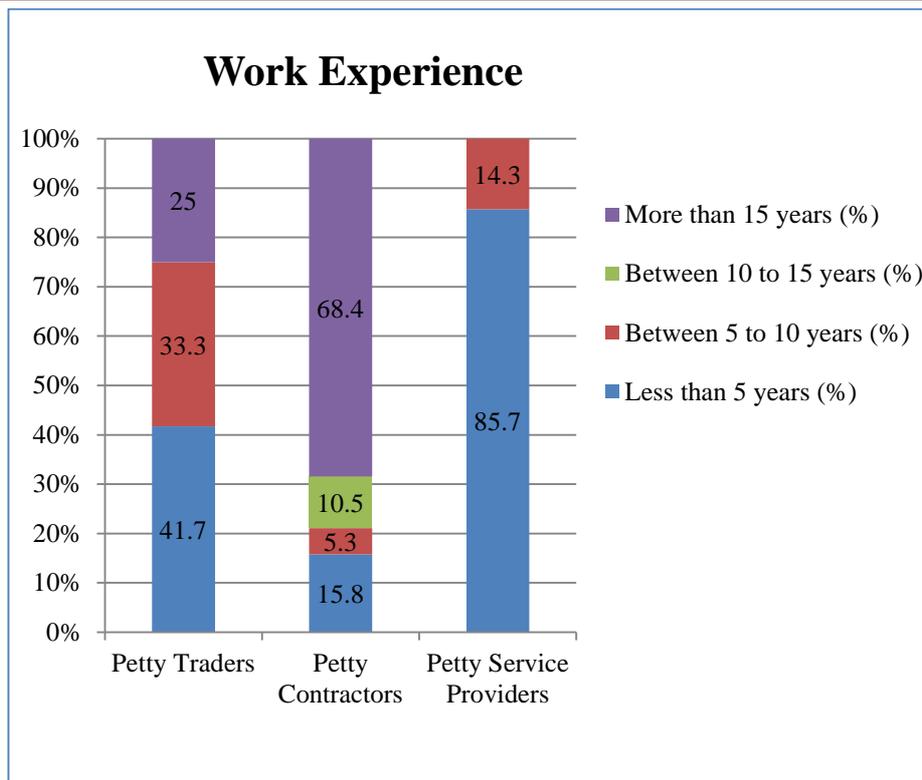
- Average Monthly Income
- Change in Income Status during last 5 years
- Change in standard of living during last five years

Findings emerged from analysis are presented hereunder:-

7.1 New Business Opportunities Developed for people having different levels of work experience

Below table and Bar graph show that 41.7% petty traders, 15.8% petty contractors and 85.7% petty service providers are having less than 5 years work experience. It infers that they catch the opportunity for business from environment built due to construction of this power project. 33.3% petty traders, 5.3% petty contractors and 14.3% petty service providers are having work experience between 5 to 10 years. Only 10.5% petty contractors are having work experience between 10 to 15 years. 25% petty traders and 68.4% petty contractors are having work experience more than 15 years. It infers that to manage petty contracts in power plant and for successful completion of contract, work experience of more years is required.

Occupation	Less than 5 years (%)	Between 5 to 10 years (%)	Between 10 to 15 years (%)	More than 15 years (%)
Petty Traders	41.7	33.3	0.0	25.0
Petty Contractors	15.8	5.3	10.5	68.4
Petty Service Providers	85.7	14.3	0.0	0.0



Bar Graph 7.1: Work Experience

7.2. Interpretation of ANOVA

For study effect of work experience on new business opportunities developed, 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 Work Experience and Average Monthly Income

ONE WAY ANOVA for indicator 'Average Monthly Income' of new business opportunities developed for petty traders / contractors / service providers having different levels of work experience is presented as below:

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	48.252	3	16.084	9.150	0.000
Within Groups	54.490	31	1.758		
Total	102.743	34			

It can be observed from the above table that F value of interaction between work experience and average monthly income is 9.150 with degree of freedom 3, which is significant at the 0.01 level. It means that there is significant difference among respondents having different levels of work experience with respect to average monthly income. In light of this the null hypothesis namely **“There is no significant effect of work experience on average monthly income” is rejected.** Hence, it may be concluded that average monthly income of people having different levels of work experience are not at par.

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

ONE WAY ANOVA for indicator ‘Change in Income Status during last 5 years’ of new business opportunities developed for petty traders / contractors / service providers having different levels of work experience is presented as below:

Table 7.2.2 - ANOVA: Change in Income Status during last 5 years					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	0.547	3	0.182	1.071	0.374
Within Groups	5.795	34	0.170		
Total	6.342	37			

It can be observed from the above table that F value of interaction between work experience and change in income status during last 5 years is 1.071 with degree of freedom 3, which is not significant. It means that there is no significant difference among respondents having different levels of work experience 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 work experience on change in income status during last 5 years” is not rejected.** Hence, it may be concluded that during last 5 years change in income status of all people having different levels of work experience are at par.

7.2.3 Interaction between Work Experience and Change in Living Standard during last 5 years

ONE WAY ANOVA for indicator ‘Change in Living Standard during last 5 years’ of new business opportunities developed for petty traders / contractors / service providers having different work experience levels is presented as below:

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	0.235	3	0.078	0.648	0.589
Within Groups	4.107	34	0.121		
Total	4.342	37			

It can be observed from the above table that F value of interaction between work experience and change in living standard during last 5 years is 0.648 with degree of freedom 3, which is not significant. It means that there is no significant difference among respondents having different levels of work experience 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 work experience on change in living standard during last 5 years” is not rejected.** Hence, it may be concluded that during last 5 years change in living standard of all people having different levels of work experience are at par.

8. Conclusion and Suggestions

The study revealed that work experience has no significant impact on change in income status and change in living standard in last 5 years due to new business opportunities developed for petty traders, petty contractors and petty service providers in vicinity of this power project. While average monthly income of them may vary as per their work experience. People having different levels of work experience may have different capabilities. Therefore their average monthly income may also differ. People of different levels of work experience may use different techniques of business and earn accordingly.

People living in vicinity of power project may also try to avail new business opportunities developed irrespective of their work experience. For maintenance of power project spares and consumables also require. People living in vicinity can develop their new venture by contacting 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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