

A Study on Entrepreneurial Environment and the Features of Rural Youth Independent Entrepreneurial Behavior

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Abstract

“Start a business or not” and “Which industry to choose” in the entrepreneurial behavior of rural youth present interesting characteristics of “path dependence”. At the same time, the rural natural environment, financial environment, social environment, policy environment, cultural environment and other external environments also have an important impact on the entrepreneurial behavior of rural youth. Through descriptive statistical analysis and quantitative analysis, this paper reveals the growth mechanism of rural youth self-employment, that is, whether there is “entrepreneurial imitation” in rural youth self-employment? Through what transmission path does entrepreneurial imitation affect decision-making of independent undertaking? Summarizing the behavioral characteristics of rural youth self-employment, and construct corresponding countermeasures and suggestions.

Key words: Entrepreneurial environment; Independent entrepreneurship; Entrepreneurial behavior; Entrepreneurial characteristics

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1. INTRODUCTION

Promoting rural youth to start an undertaking independently and cultivating a new type of rural business entity, which is an effective choice for solving the new problem of rural sustainable economic development with new development concepts (Yu, 2021, pp.128-131). It is also an important carrier for accelerating the transformation of agricultural development methods, advancing agricultural supply-side structural reforms, and enhancing the endogenous power of rural development. In recent years, under the “double” promotion of economic development and national policies, farmers’ entrepreneurial activities have become more and more active, becoming an important way to promote new growth of the rural economy and stimulate new vitality of the rural economy (Zhang & Ding, 2021). With the continuous development of the rural social economy, the personal qualities of rural youth continue to be improved, and correspondingly they have stronger personal capabilities and more entrepreneurial resources. The entrepreneurial awareness and entrepreneurial desire of rural youth will increase accordingly, resulting in entrepreneurial tendency. Therefore, the personal ability and entrepreneurial resources of rural youth directly affect their entrepreneurial decision-making (Tang, 2021, pp.126-128).

As mentioned above, although rural youth have gradually acquired the personal ability to start a business and possess a lot of entrepreneurial resources, but from the observations on the industry distribution and regional differences in rural entrepreneurship in the past have found that rural youth entrepreneurship is mainly concentrated in the same industrial chain, and their scale is generally small, most of them are local entrepreneurs (Zhao, 2021, pp.103-106). That is, there is a strong “homoplasy” in rural youth entrepreneurship. On the one hand, The rural environment in which rural youth live is relatively closed, market information is difficult to obtain, and conditions

for entrepreneurship are relatively lacking, which will restrict the entrepreneurial behavior of rural youth to a certain extent; on the other hand, the entrepreneurial risk is higher and the difficulty is greater, so there is a certain degree of blindness in entrepreneurship of rural youth. Under the overlap-add of these entrepreneurial conditions, for rural youth who intend to start a business, "imitating" the behavioral decisions of others may be an important consideration for their entrepreneurial choices (Zhang, Ding, & Zhuang, 2021).

At the same time, with the increase in rural entrepreneurial activities and the expansion of entrepreneurial scale, an industrial system related to entrepreneurship will gradually be formed, and the completeness of the industrial system can drive the flow of production factors and products, which will produce varying degrees overflow of economic, technological, and social benefits, which will help the formation of an entrepreneurial atmosphere for rural youth in the region. At the same time, it will improve the supply chain and sales channels that related to entrepreneurship, promoting the formation of supporting entrepreneurial policies in regional rural areas to provide a better entrepreneurial environment for latecomers (Miao, Qian, & Song, 2021). These entrepreneurial spillover effects of economic spillovers, technology spillovers, and social spillovers that are benefited by others' entrepreneurship will affect the rural areas inside and outside, and produce a "siphoning effect", which will continue to gather potential young rural entrepreneurs in the region and attract the potential rural youth entrepreneurs to imitate the behaviors of predecessors, making entrepreneurial decisions, choosing entrepreneurial models and implement them (Lai, 2021, p.638).

It can be seen that, subject to the constraints of individual resource and the entrepreneurial environment, young rural entrepreneurs can avoid market risks due to incomplete information by imitating the entrepreneurial behaviors of other entrepreneurs, so as to achieve reasonable, logical and realistic choice. Chinese rural is an "acquaintance society" centered on blood, relative, and geography. When there are many uncertainties in entrepreneurial behavior, it often obtains information from others as a reference for decision-making, and reduces risk through group behaviors (Fu, 2021, pp.88-89). Through the preliminary investigation and research found that obtaining information through acquaintances, relatives and friends occupies an important position in the way of obtaining entrepreneurial information for rural youths. Based on it, they can identify entrepreneurial opportunities, evaluate entrepreneurial costs, and gain entrepreneurial experience. For the special group of youth entrepreneurs in rural areas, imitating entrepreneurship is an effective way to reduce costs, reduce risks, and increase profits.

2. RESEARCH DESIGN

2.1 Research Method

On-the-spot investigation. According to the research object and sample selection principle, the questionnaire is distributed to the villages and towns of each city in Zhejiang Province. One way is to visit and distribute paper questionnaires on the spot. The other way is to use social relationship network of various contact information of rural entrepreneurs, such as teachers, classmates, relatives, and friends, students, alumni and others, and then send out questionnaires via e-mail, WeChat, etc. So as to obtain variables survey data on related to entrepreneurs' imitation, entrepreneurial environment, entrepreneurial willingness, entrepreneurial performance, entrepreneurial project heterogeneity characteristics, and entrepreneur individual heterogeneity characteristics.

2.2 Sample Sources

Using questionnaire survey methods to collect sample data, based on comprehensive literature carding, research purposes, experts opinions and rural geographical context, the first draft of the questionnaire is designed according to the characteristics of the research question, the reliability and validity of the questionnaire are tested, and the final measurement scale of the variables system are formed after multiple rounds of corrections such as predictions. Then determining the research samples and survey objects, sampling methods, questionnaire distribution methods, process control, recovery and sorting, statistical analysis and other implementation plans. The questionnaire is distributed to the villages and towns of each city in Zhejiang Province. One method is to visit and distribute paper questionnaires on the spot. The other method is to use social relationship network of various contact information of rural entrepreneurs, such as teachers, classmates, relatives, and friends, students, alumni and others, and then send out questionnaires via e-mail, WeChat, etc. Obtain of survey data of variables related to entrepreneurs' imitation, entrepreneurial environment, entrepreneurial willingness, entrepreneurial performance, entrepreneurial project heterogeneity characteristics, and entrepreneur individual heterogeneity characteristics. Stratified sampling, First, through cluster analysis, all counties and districts in Zhejiang Province are divided into 10 categories, and 2 from each category are selected as survey counties, and then use the same method to extract 2 towns from each county (The town is where the town government is located). At the same time, two villages are selected from the villages under the rule of each town. Questionnaires were distributed and collected by the one-on-one rural youth entrepreneurs (18-35 years old) given by the members of research projects' group and the questionnaires were collected and sorted out to form a micro-database.

3. EMPIRICAL FINDINGS OF THE STUDY

3.1 Basic Situation

First of all, a descriptive statistical analysis was performed. There were 107 people answered this questionnaire, most of the people who filled out this questionnaire were born after 1980 and before 2000, taking 20-40 years old people as the main survey objects. Among them, the proportion of men and women is balanced, the marital status is the first marriage, the current residence is Zhejiang Province, the household registration is agricultural household registration, and they mainly are not village cadres, talents of all educational backgrounds are available. It provides a basis for the investigation of different educational backgrounds of rural youth self-employment behaviors. Most people have experience of working outside, mainly in the sales industry. At the same time, most people are starting their own businesses and have experience related to the current entrepreneurial industry, reflecting that most entrepreneurs choose their entrepreneurial direction to be related to the industry that they experience or engage in. In terms of policy understanding, most entrepreneurs are only in a state of understanding the policy, but are not familiar with it, indicating that the policies have not been promoted enough.

3.2 Entrepreneurship Situation

Among the people who participated in the questionnaire survey, 99% of them had established companies, reflecting the fact that young people in rural have had ideas and thoughts on starting a business. The company was founded in 1993 at the earliest and in 2020 at the latest. It has a wide range of entrepreneurial directions. Among them, the catering industry accounts for 9%. The maximum venture capital is 500w yuan, the lowest is 1w yuan, and the average is 30w yuan. The financing scale is between 0 to 1500w, and most of them are small business entrepreneurs. The annual sales income is among -50w and 6000w. Most of them are still between 0 and 1000w. The number of employees most is between 0 and 10 people; except for a few are more than 20.

3.3 Entrepreneurial Behavior

Most entrepreneurs have friends around 50% of entrepreneurs, and more than 70% of entrepreneurs have been influenced by previous entrepreneurs. The influence and motivation of entrepreneurs on entrepreneurs is very large. In the entrepreneurial field, some entrepreneurs are different from the local entrepreneurial field; they have taken a different approach. But more entrepreneurs are related to the local entrepreneurial field.

3.4 Entrepreneurship Environment

Uncertainty and disagreement accounted for 29% and 34% respectively that the local government regularly organizes training activities related to their own

entrepreneurship, indicating that the local government may not regularly organize training activities related to entrepreneurship, rural youths rely more on their own abilities to start their own businesses. At the same time, it also shows that the government may not have enough publicity when holding some training activities, so many rural youths cannot obtain this information, or rural youths are not paying enough attention to the training activities organized and have not grasped social resources. Most rural youths' sources of funding for entrepreneurship are bank loans, and it is easier to obtain loans from bank, which largely affects the entrepreneurial development for rural youths. It's tending to convenience of bank loans to rural entrepreneurial youth is largely a support and encouragement of government policy. It is also the bank's support to rural entrepreneurial youth. Such a good entrepreneurial environment will be more conducive to the entrepreneurial development of rural youth.

Strongly agree and agree accounted for 8% and 25% respectively. Therefore, about one-third of rural youths enjoy the government's tax reduction and exemption policy during the entrepreneurial process. This is established by the government to encourage rural youth to start their own businesses. Providing a better social environment for youth entrepreneurship. However, according to the data analysis in the figure, it can be found that there are most rural entrepreneurial youths who still do not enjoy this policy service. A large part of this may be because they did not pay attention in time to the government's tax reduction and exemption policies for rural youth entrepreneurship. So they don't understand this policy, nor make good use of the good entrepreneurial environment provided by the government. This has greatly increased their entrepreneurial costs and risks, and also reflected the government's popularization of rural youth entrepreneurial policies. Not enough, the scope is not wide. Therefore, rural entrepreneurial youth should pay more attention to and understand the entrepreneurial support policies provided by the government and banks to facilitate timely access to relevant entrepreneurial support policies, which can better help entrepreneurial youth to start their own businesses and provide them with a good entrepreneurial environment.

3.5 Entrepreneurship Performance

The start-up business time for rural youth is generally relatively short, mainly concentrated in the period of six months to five years, of which 31.7% are from more than half a year to three years, and 26.2% are from three to five years. It can be seen that although large part of the entrepreneurial time is not long, but they all have several years of entrepreneurial experience. At the same time, the proportion of entrepreneurial business time for more than five years has accounted for about one-third, so rural youths still have a long start-up time and have some entrepreneurial experience. The proportions of strongly

agree and agree are 17% and 46% respectively that the overall increase in profits since the start of the business, accounting for the vast majority of the total, indicating that most of the rural youth's profit income has been increasing since the start of the business. In a large extent, this shows that their entrepreneurship is successful and has achieved greater results, which can more mobilize their entrepreneurial enthusiasm, thereby motivating more rural youths to join the line of independent entrepreneurship. Strongly agree and agree that are 15% and 36% of the entrepreneurial scale have been expanding since they started their business, accounting for about half of the total, indicating that the entrepreneurial scale of the most majority of rural entrepreneurial youths is showing an increasing trend, indicating that the entrepreneurial results are good. This is conducive to driving the growth of the national economy and promoting economic development, thereby stimulating more entrepreneurial youths to join in.

4. CONCLUSIONS

The main problem faced by rural young entrepreneurs is the difficulty of recruiting workers. With the narrowing of the urban-rural development gap, many migrant workers choose to stay in the local area to work. This has caused major problems in the distribution of personnel; the recruitment has become a big problem. The lack of entrepreneurial training and professional guidance and financing difficulties has also become major problems. Rural entrepreneurs are lack of professional guidance, so they do not know much about many entrepreneurial issues. This is a major professional problem for entrepreneurship. Rural youth entrepreneurship has a certain risk coefficient, and the degree of professionalism is not high, so financing is relatively difficult, which depends on the support and promotion of policies in a large extent, and it still will encounter some support preferential policies that are difficult to implement and approval procedures complexity and poor rural entrepreneurial culture environment and others problem. They are relatively few, but they are also some problems that may be faced in the entrepreneurial road. Therefore, the development of entrepreneurship cannot be separated from the support and guidance of government policies. Simplify and implement of policies. Most rural youths intend to seek improvement in stability in business operations or seize opportunities to develop rapidly. The former are young people who like to take a stable way, while the latter like challenges and achieve

a faster development process. Only a small part of the youths chose to maintain the current scale of operations and keep the status. For the development of enterprises, different people choose different development paths, and their grasp of time and opportunities are also different. It reflects that young entrepreneurs like to face challenges and seek faster development.

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