

Development of Entrepreneurship in India: Challenges and Possibilities

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Abstract: *Entrepreneurship is a dynamic process of vision, change and creation .it requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. There are several forces like automation as a result of technological advancement, vacillate economies or changes in demographical position that have brought new opportunities along with threats for modern organizations and societies which greatly influence the mobilization of the development of entrepreneurship. People are becoming more and more aware of the importance of the development of entrepreneurship so as to adapt to these moving powers.*

The study showed emerging opportunities for entrepreneurs and also Entrepreneurship development is concerned with the study of entrepreneurial behavior, the dynamics of business set-up, development and expansion of the enterprise. Entrepreneurship development (ED) refers to “the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes”.

It basically aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generation and economic development.

Entrepreneurship development focuses on the individual who wishes to start or expand a business. Small and medium enterprise (SME) devel-opment, on the other hand, it also focuses on developing the enterprise, whether or not it employs or is led by individuals who can be considered entrepreneurial. Furthermore, entrepreneurship development concentrates more on growth potential and innovation, than SME development does

Keywords: Entrepreneurship, business visionaries, success, vacillate economies, modernization, constraints, possibilities, Small and medium enterprise (SME) devel-opment

I. INTRODUCTION

Entrepreneur is a person who knows the way, shows the way, goes the way and bears/takes all the risks on that way. The word "entrepreneur" is a loanword from French. In French the verb "entreprendre" means "to undertake," with "entre" coming from the Latin word meaning "between," and "prendre" meaning "to take."

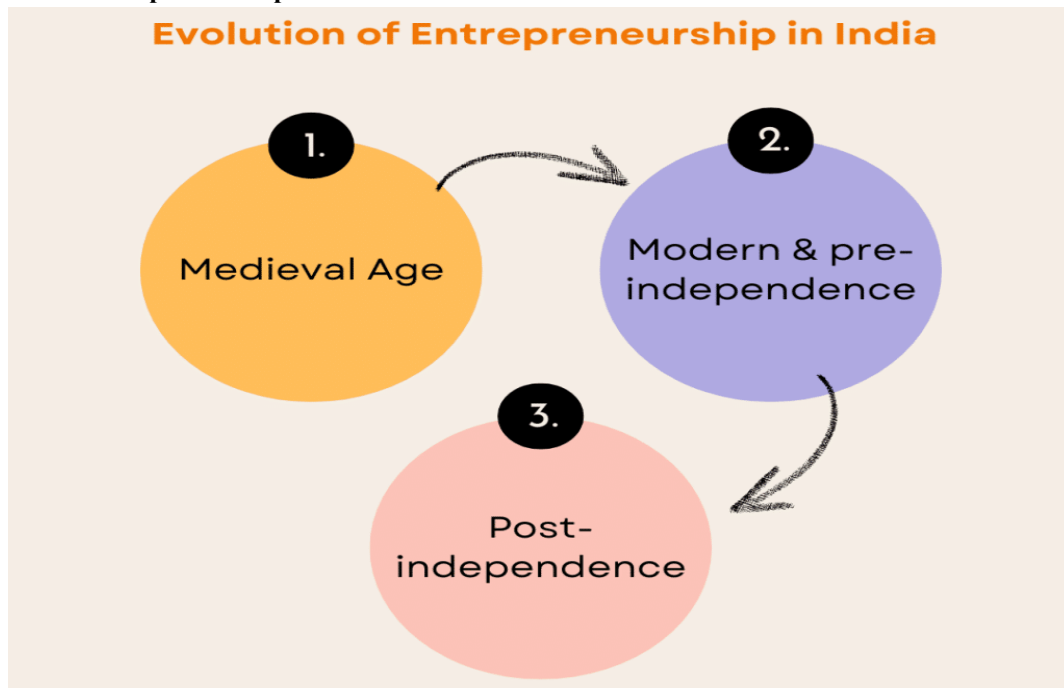
According to Schumpeter, an entrepreneur is an individual who creates and/or invests in one or more businesses, bearing most of the risks and enjoying most of the rewards. The process of setting up a business is known as "entrepreneurship". The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and business/or procedures.

From the perspective of Kirzner (1997), the entrepreneur is an individual who is alert to opportunities for trade. The entrepreneur is capable of identifying suppliers and customers and acting as an intermediary where profit arises out of the intermediary function (Deakins & Freel, 2006).

Entrepreneurship = innovation + creativity

Various attempts have been made to promote and develop entrepreneurship, by giving specific assistance to improve the competence of the entrepreneur and his/her enterprise, so as to enhance his entrepreneurial objectives and accommodate more people to become entrepreneurs as well.

1.1 Evolution of Entrepreneurship in India



1.2 Medieval Age

To discuss the growth or development of entrepreneurship in India, you must understand that India has one of the oldest and most civilized business histories. During the Harappan civilizations around 2700 BC, there was an internal and external trade culture. Also, due to this, most foreign countries recognize Indian entrepreneurial skills.

1.3 Modern and pre-independence

This was the era of industrialization in India, where some of India's best entrepreneurs rise. The major events changed the face of entrepreneurship in India.

- The first cotton textile mill was revolutionized in 1854 by an Indian entrepreneur, Kawasji Dover. It was one of India's boldest steps in the modern development of entrepreneurship development.
- Jamsetji Tata founded the company Tata Group in the year 1868. With the foundation of the Tata Group, he has created a bar for entrepreneurship development in India.
- 1874 Cotton Mill by JRD Tata, TISCO by Dorabji Tata, 1932 Tata Airlines, Tata Steel Plant, and more were high-rate businesses in India. At the same time, it has also played a major role in various independence initiatives.

1.4 Post-independence

Entrepreneurship in India, along with the national economy, was ground-breaking after independence. There was not much left in the Indian economy at that time. However, the government took major steps to support India's development which is as follows.

- Prime Minister Nehru adopted the economic structure line of the Soviet Union. It gave a major push to the New Industrial Policy of 1956. Similarly, this policy liberalized the bar and standards set by the British government, which were the ultimate impediment to industrial development.
- Economic reforms were carried out in the initial phase of governance. Also, prominent economists adopted the Mahalanobis model, which primarily aims to support entrepreneurs.

1.5 Growth of Startups

In 2016, **startups started to grow**. There are some key aspects of this start-up initiative whose main objective is to provide and lend support for entrepreneurship development in India. By the year 2015, start-ups were rampant in India. Moreover, India is also known as the ‘poster child of an emerging market’. Some of the key aspects of the 2016 Start-up Initiative are as follows.

- The MSME ministry swung into action by supporting small and micro startups and firms.
- The Make in India initiative allows entrepreneurship to live in India and work on its growth.
- The NITI Aayog scheme was also launched. Its objective is to develop skills and provide training to become a skilled resource

II. REVIEW OF LITERATURE-

Being an entrepreneur means having an arrangement and vision yet at the same time succeeding or attempting to succeed when the arrangement self-destructs and he/she is left with just his/her vision. It likewise implies realizing when to surrender, particularly if your thought isn't working because of powers outside of yourself.

Several numbers of articles have been written and published in different journals discussing several aspects of entrepreneurs and entrepreneurship development in INDIA.

Schumpeter (1950; 1961) defined the entrepreneur as the coordinator of production and agent of change (‘creative destruction’). As such the “Schumpeterian” entrepreneur is above else an innovator. Scholars who share this view of entrepreneurship do not consider entrepreneurship to be very important in earlier stages of economic development – they see the contribution of entrepreneurship to be much more important

at later stages of development, where economic growth is driven by knowledge and competition. At earlier stages of development, entrepreneurship may play a less pronounced role because growth is largely driven by factor accumulation.

Kirzner (1973) explained the entrepreneur as someone who facilitates adjustment to change by spotting opportunities for profitable arbitrage (and ‘disequilibrium’ situations in the market). This view has resonated among scholars who emphasize the opportunity-grabbing-for-profit nature of entrepreneurship.

Kanbur (1979) described the entrepreneur as one who ‘manages the production function’ by paying workers’ wages (which are more certain than profits) and shouldering the risks and uncertainties of production.

Schumpeter (1983) exclaimed ever since the early innovation studies, such as the focus has been on the economic rents from innovation for an individual, for a firm, and for a society. A new line of studies, particularly in the field of social entrepreneurship, has increasingly attended to the non-pecuniary benefits from innovations that aim at contributing to the well-being of people by fulfilling their needs.

Baumol (1990) defined as entrepreneurial ability can be allocated towards productive, unproductive, or even destructive activities. He defines entrepreneurs as ‘persons who are ingenious and creative in finding ways that add to their own wealth, power, and prestige’.

III. OBJECTIVE OF THE STUDY

- Identifying & recognizing the challenges and constraints frequently faced by the entrepreneur of INDIA.
- examining the accessibility of scope and opportunities for expansion of entrepreneurship development in INDIA.
- sharing several possible recommendations to overcome those obstacles by utilizing the opportunities for the development of entrepreneurship in INDIA.
- showing the significance of development of entrepreneurship for the development of a country as a whole.
- contributing to the minimization of study gap earlier done in this regard.
- Reinvestment of profit for the welfare of the areas of profit generation
- The development provides motivation and human resource
- Entrepreneurial awareness
- Increase in employment opportunity

- Increasing productivity
- Optimum use of local resources
- Continued innovation in technology and managerial practices

3.1 Entrepreneurship Development in India- different programme

There are various Government institutions for ED in India. The Entrepreneurship Development Institute of India (EDI) an autonomous body and not-for-profit institution founded in 1983 is sponsored by apex finance institutions namely the IDBI Bank Ltd, IFCI Ltd, ICICI Ltd, and State Bank of India (SBI).

The institute is registered under the societies registration act 1860 and the Public Trust Act 1950. The Government of Gujrat pledged twenty-three acres of land on which stands the majestic and sprawling EDI campus.

Following are the Govt Institutions for ED Programs in India;

- National Institute for Entrepreneurship and Small-Scale Business Development (NIESBUD)
- Entrepreneurship development Institute of India (EDII)
- Technical Consultancy Organization (TCO)
- Indian Investment Centre (IIC)
- Post Graduate Diploma in Management Business Entrepreneurship (PGDM-BE)
- Post Graduate Diploma in Management Development Studies (PGDM-DS)
- Fellow Programme in Management (FPM)

Apart from the above-mentioned institutions, there are various national and state-level institutions that provide assistance to the entrepreneurial development program.

For example;

- SIDC: State Industrial Development Corporation
- IDBI: Industrial Development Bank of India
- ICICI: Industrial Credit and Investment Corporation of India
- IFCI: Industrial Finance Corporation of India

IV. ENTREPRENEURSHIP DEVELOPMENT: PROBLEMS/ CHALLENGES/ CONSTRAINTS

In the entrepreneurship scene of our nation, challenges differ from entrepreneurs to entrepreneurs following a few criteria. Every single hopeful business visionary faces an alternate problem from their side once or more. In this way, it gets hard to pass judgment and arrive at a resolution stipulating the specific difficulties. Moreover, it differs from nation to nation, also, because of the demography and areas. The followings are some remarkable challenges that hamper the flow of entrepreneurship development in INDIA:

1. Financing

Getting funds for your business is one of the main issues that all businesses face and have to tackle to survive. While you might have saved initial money to start a business, it won't help you survive for long.

2. Lack of Planning

It's impressive the number of start-ups fails since they "failed to remember" to do the planning. Or perhaps they did strategize, yet they did not cover all the bases. Key locations like sales, development, and funding aren't afterthoughts. They need to all belong to your business plan right from the start

3. Hiring the right talent

Particular abilities are important not just for your business to endure but for the expansion. Recognizing the specific abilities, you require— as well as exactly how to obtain those crucial individuals aboard— could be the identifying consider just how well your start-up grows. Hold-ups in discovering the best employees are expensive.

4. Effective marketing within a limited budget

Some start-ups assume they can ignore marketing strategies entirely and hope that word of mouth will be sufficient. Being a start-up, it's essential to create visibility among your consumers. Effective marketing techniques within a limited budget should be made to reach your target audiences.

5. Attractive Customers

Getting customers for your product or service can be the difference between success and failure for a business. Many businesses have started with powerful ideas however could not survive simply because they failed to reach the right customers. There are several ways of reaching the right customers, however social media and SEO have proven to be useful tools for most. The entrepreneur should invest time in understanding the customer expectations and if needed leverage their network to reach the customers.

V. ENTREPRENEURIAL DEVELOPMENT PROGRAMMES: POSSIBILITIES/OPPORTUNITIES

EDPs have great role and relevance in increasing the supply of new entrepreneurs to accelerate the process of industrialization. It is widely accepted that persons interested to become entrepreneur will be greatly helped if appropriate training and development programmes are made available to them EDPs can be judged on the basis of following points.

- **Eliminating Poverty and Unemployment:** Most of the under developed countries are confronted with the chronic problem of unemployment. EDPs can help these unemployed people in getting self-employment and at the same time generating employment opportunities for others. Various programs initiated by the government like NREP (National Rural Employment Programme, IRDP (Integrated Rural Development Programme etc. are aimed at tackling unemployment problem.
- **Balanced Regional Development:** Successful EDPs help in accelerating the pace of industrialization resulting in the reduction of concentration of economic power. Small scale units can be set up in remote areas with little financial resources and it helps in achieving balanced regional development. EDPs aimed at promoting small scale units are more useful for balanced regional development than medium and large-scale units.
- **Economic Growth:** The relevance of EDPs can be clearly understood by their role in the economic development of developing countries like India. Such programmes create many entrepreneurs who are able to establish small and micro enterprises which require less investment in funds. It increases new investment and bring innovations. All these activities in turn stimulate the economic growth.
- **Optimum use of Locally Available Resources:** The EDPs can help in harnessing locally available resources by training and educating the entrepreneurs. Since abundant resources are available locally, proper use of these resource will help in creating a healthy base for sound economic growth and rapid industrialization. EDPB also help in minimizing excessive scraps, defective output and wastage in the production process.
- **Promote Innovations:** Entrepreneurial Development Programmes initiate the people for innovations and creativity. EDPs have become a vital strategy for harnessing the vast untapped human skills, to channelize them into accelerating industrialization

VI. CONCLUSION

There is no denying of the fact that entrepreneurship development has emerged as a national movement because of its power to solve the twin issues of unemployment and poverty. Entrepreneurship is essential to national wealth-building. It is not enough for a country to have land, labor, capital and natural resources. It needs talent, ability and drive of entrepreneur to turn those resources into productive and profitable enterprises. It is important to study the various social, cultural, environmental and motivational factors of our country that stimulate entrepreneurship.

In developing countries like India, start-ups based on innovations have a competitive advantage and high growth prospects. A strong entrepreneurial base not only improves the dynamism of the Indian economy but also provides a path to a robust economic transformation. We are indeed in the right direction. If every stakeholder involved support for the smooth functioning of innovation-based start-ups, the benefit would be manifold ranging from lower unemployment, a higher standard of living to a high growing national economy

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