



ENTREPRENEURSHIP DEVELOPMENT IN INDIA

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ABSTRACT :

Accordingly, this website aggregates and synthesizes data from research on entrepreneurship encouragement in India. The term "entrepreneurship" describes the process of coming up with an idea for a product, service, or process and then leading its launch and continuing operation. It has been described as the ability and desire to create, plan, and oversee a commercial endeavor, including all associated risks, with the goal of generating a profit. Entrepreneurship and initiative are driving forces behind India's economic growth, both in rural and urban regions. Innovative ideas and commercial prospects are the lifeblood of entrepreneurship, which in turn generates new employment chances. It takes time and effort to build a successful business in India, a developing economy. Instead of focusing on more conventional job paths, the Indian government is urging its youth to become entrepreneurs. Entrepreneurship is its own distinct profession that calls for special qualities in its practitioners, such as excellent communication skills, patience, vision, and a host of others. We think there are chances to learn more about how culture and values have shaped entrepreneurial activity throughout history, but we need to be more careful with our techniques and try to pin down just how significant culture is in comparison to other factors. This study depicts the development of entrepreneurialism in India.

Keywords:-Entrepreneurship , Development, India

INTRODUCTION:

The importance of entrepreneurs to economic growth and diversity has been known for a long time. One of the key tenets of India's 2020 plan for smart, sustainable, and equitable development is entrepreneurship. The field of entrepreneurship studies has emerged as a major field of study in the last several years. As a nation, India is currently experiencing a demographic dividend, when more than 60% of the population is in the working-age bracket (15–59 years old). The Indian government has shifted its emphasis from youth unemployment to entrepreneurship, seeing it as a way for young people to make a livelihood and open doors for others. It is critical to encourage entrepreneurialism in order to solve problems like industrialization, development inequality, economic power consolidation, and the misallocation of funds from traditional investment avenues. Promoting an entrepreneurial mindset in India is fraught with difficulties, one of which is the country's fast population growth. A moderate rate of growth in the economy. Poor per capita income puts 65% of the population in poverty, and the alarmingly high unemployment rate among college graduates is a major problem. With a plethora of human resources, our nation has no shortage of people with the entrepreneurial spirit that is necessary. But we can mold, inspire, and educate people to take business risks with the correct entrepreneurial development programs. As a result of numerous obstacles, including a lack of education, would-be entrepreneurs in India's impoverished regions have very few opportunity to pursue their dreams. The author of this article gives the findings of a quantitative study on the growth of entrepreneurship in the developed, developing, and backward states of India. Untapped business potential and a lack of basic infrastructure are to blame for the country's sluggish industrial and entrepreneurial development, according to the report. To encourage entrepreneurship in India, the author says the government and other organizations should move quickly.

CONCEPT OF ENTREPRENEURSHIP

English "entrepreneur" means "To undertake" in both French and German, its origin words "Entreprendre" and "Unternehmen," respectively. There was a long period when the word "entrepreneur" had no adequate English equivalent. The absence of scientific rigor and the fact that the English words "adventure," "undertaker," and "projector" were all used interchangeably led to their meaning being identical to the French word (Gopakumar, 1995). Consequently, the word "entrepreneur" has never been linked to any significant economic discussion. Incorporating economic principles into the concept was initially attempted in 18th-century literature. Gopakumar (1995) argues that the concept of entrepreneurship gained traction in economic literature once the concept of "risk" was recognized as an important component of entrepreneurship. This led to the idea of analysis and the attribution of an economic function to the entrepreneur. To manage a firm, a "entrepreneur" must be self-motivated and make decisions on the product, the amount and pricing of inventory, the number of employees to hire, and the expansion or contraction of production facilities. Cole (1968) defines an entrepreneur as "someone who sees a business opportunity and establishes a company to pursue it," as well as "someone who conceives of, starts, and sustains for an exceptionally long time a social institution that produces economic goods." If you believe Harbison and Hyers, capital cannot create production without other factors (1964). To produce goods and capital goods, which in turn enable the production of consumer goods, the investment process requires initiative, organization, decision-making, risk-taking, creativity, and management. The entrepreneurial spirit, as outlined by Hegan

(1968), is characterized by an interest in technology and a penchant for innovative problem-solving. But most entrepreneurial endeavors don't call for groundbreaking new approaches; rather, they combine inputs that are extremely comparable to what's already out there and deal with the status quo of business processes. According to Haredero, an entrepreneur in agriculture is someone who creates changes that boost inputs to agriculture, whether it be directly or indirectly (1979).

ENTREPRENEURSHIP IN INDIA

Entrepreneurs in India often work as solopreneurs or in small teams with 1-2 assistants. The Fifth Economic Census of 2005 suggests that over two-thirds of all enterprises had less than five employees. Assuming that no company employs more than ten individuals, this group comprises 98.5% of all firms. In an effort to spur entrepreneurialism and, by extension, self-employment, the government enacted the Micro, Small and Medium Enterprises (MSME) Act, 2006 in 2006. The declared purpose of the act is to assist micro, small, and medium-sized enterprises in thriving and increasing their competitiveness. Two sections of the Industries (Development & Regulation) Act, 1951 mandated the establishment of a formal regulatory or consultative framework to monitor and guide the expansion of SSI units from micro to small to medium scale. Also excluded from the prior Act was the rapidly expanding service sector 2. It is worrisome, nonetheless, that many MSME units are not registered, therefore they are exempt from the MSME Act, 2006. In an effort to boost small businesses, the government has implemented a number of programs over the years, including marketing assistance, concessional loans, and training in entrepreneurial development. Businesses in India faced several bureaucratic red tapes, including stringent labor laws, economic regulations, etc., which slowed entrepreneurial growth compared to other countries. Due to increased rivalry caused by import liberalization and the presence of multinational companies (MNCs) in the country, small-scale enterprises in India are fighting for survival. "New economic changes will provide more opportunities and not enough jobs," stated the Second National Commission on Labour (2002). Opportunity knocks, and when it does, one must grab it. The demand for self-employment is projected to outstrip the supply of higher-paying jobs in both urban and rural regions. So, it's more important to encourage the growth of self-employed people or entrepreneurs than to concentrate on wage jobs. There has to be an emphasis on encouraging an entrepreneurial mindset across the educational system. Aiming in this direction, the Ministry of MSME is implementing measures to foster entrepreneurship and improve skills through the provision of appropriate training facilities. Nationally, the Ministry of Industry, Trade and Investment (MTI) established three institutes—NI-MSME (1960) in Hyderabad, NIESBUD (1983) in Noida, Uttar Pradesh, and IIE (1993) in Guwahati—to encourage entrepreneurship, especially among first-generation entrepreneurs. The "Entrepreneurial and Managerial Development of SMEs through Incubators" program has been running since 2008. The MSME Technology Centres, which were formerly called Tool Rooms and Technology Development Centres, provide young people with state-of-the-art skill training. Entrepreneurship, research and development, innovation, lean manufacturing, and quality products are the subjects of a new national award program that the Ministry of Small and Medium Enterprises (MSME) has instituted.

GOVERNMENT OF INDIA SUPPORT FOR ENTREPRENEURSHIP DEVELOPMENT IN INDIA

To foster creativity and initiative, the government of India has instituted a slew of initiatives and regulations. India has a major problem when it comes to creating jobs. India, on the other hand, has tremendous untapped potential to innovate, produce entrepreneurs, and generate employment opportunities because to its large and distinct population. In an effort to encourage innovation, the Indian government has lately unveiled a slew of new programs spanning many different sectors. Including reaching out to the most disadvantaged members of society as well as universities, businesses, investors, entrepreneurs (both large and small), and NGOs. The government of India has made it a priority to guarantee that women have equal opportunity in all policy initiatives, acknowledging that women's entrepreneurship and economic engagement are crucial to the progress and prosperity of the country. The government of India hopes that women would lead the entrepreneurial ecosystem by providing them with more opportunities to access funding, networks, markets, and trainings.

LITERATURE REVIEW

Studies on the topic of entrepreneurs' contributions to national development are many, but studies on the topic of how economic growth and other metrics impact entrepreneurship are even more rare. What's more, studies that have concentrated on industrialized nations have largely disregarded this phenomena. We conducted the study to better understand the scope of entrepreneurship in India. The complexity and multi-faceted nature of entrepreneurship makes it difficult to quantify the number of persons involved in entrepreneurial activities and, consequently, the impact they have on economic growth. Thoughts about what it means to be entrepreneurial have changed dramatically throughout human history, giving rise to fresh perspectives on old problems. Another important factor in an entrepreneur's success is reducing institutional constraints and improving risks. The term "entrepreneur" was initially used in a work by cantillon in 1755, therefore the concept has been around for a while. They help keep prices stable in the market by purchasing goods at inflated prices and then reselling them at unknown prices. An entrepreneurial spirit, a thirst for innovation, a willingness to take chances, and an open mind are qualities emphasized in numerous theoretical and empirical investigations. Economists agree that, in a nutshell, a person whose name is synonymous with corporate success is an entrepreneur. But after the business has expanded, the employees' collective efforts will determine the company's fate. So, being an entrepreneur isn't only about having a good idea for a business; it's also about seeing it through to fruition and ensuring everything runs well.

OBJECTIVE

The goal of these inspiring and encouraging ED programs is to help participants develop an entrepreneurial spirit. A few of the objectives are to share the stories of successful entrepreneurs, inspire a love of self-employment, and draw attention to the possibilities for innovation and good change. Aspiring entrepreneurs must be equipped with the essential information and abilities. Courses in this type often touch on topics like marketing, finance, business law, and resource management. This information resource can help individuals turn their ideas into profitable businesses. In order to boost job prospects, ED projects in India are pushing for more people to go into self-employment. Consequently, it helps create jobs because it is beneficial for prospective entrepreneurs and new enterprises usually hire people.

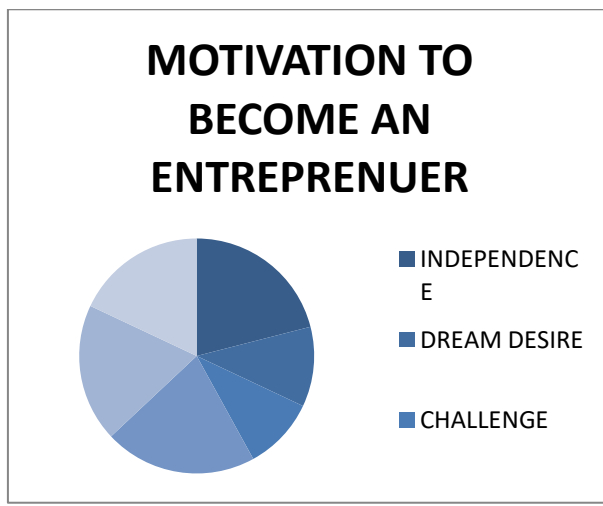
Helping micro, small, and medium-sized enterprises (MSMEs) expand is crucial. These businesses are the foundation of India's economy. To meet the unique requirements of smaller enterprises, ED programs offer tailored advice and support.

METHODOLOGY

Our study strategy combines descriptive and exploratory techniques to quantify the growth of entrepreneurialism. The proprietors of utility service businesses were surveyed using a standardized questionnaire and in-person interviews. We visited with entrepreneurs in person to explain the need of this study and collect their feedback for the poll. Referencing a wide variety of sources, including district tax offices, training centers, banks, and associations for utility service providers, the references were compiled. By informing the city's most notable locations, we are able to get a representative sample for the study. Location is not given priority or importance, and equal distribution is not guaranteed. Data collection takes into account factors such as time, money, and closeness to the subject. Contemporary health care service establishments, including spas and ultra-modern salons, are not included in the study. This law does not apply to franchisee daycares, preschools, or nursery schools due to the potential negative effect on their reputation and brand.

SOURCES OF DATA

All of the information needed to conduct the study came from secondary sources. In order to get this information, we employed both print and digital sources. Print sources include books, journals, magazines, research papers, and publications from NGOs and government associations, as well as other types of printed materials.



Being able to keep going even when things get tough is crucial for entrepreneurs.

"The joy of taking an idea and making it work" is what entrepreneurs often describe when asked about their job.

Similar to how lotuses grow from the ground up, entrepreneurs are looking for the perfect conditions to flourish.

It is nearly tough to recruit employees to work with entrepreneurs since they are so obstinate and unyielding.

According to entrepreneurs, working independently boosts one's confidence, excitement, and sense of self-worth.

Being an entrepreneur is a great way to try out new ideas and question established beliefs.

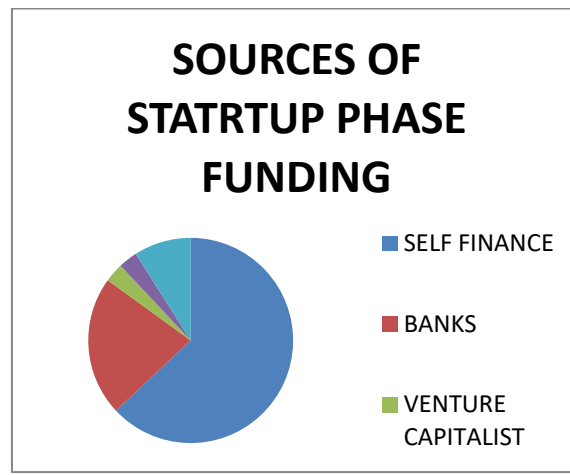
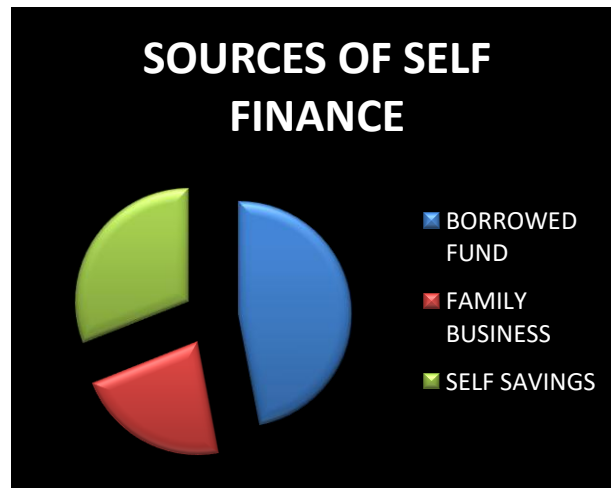
If you're an entrepreneur, you're never out of school for growth and improvement.

Having the freedom to set one's own hours and employ many people provides a "sense of belongingness" that many entrepreneurs seek.

"Entrepreneurship offers the chance to build wealth and take advantage of the economic climate."

CHALLENGES IN GETTING FINANCE OR INVESTORS

Seed funding and other types of early-stage financing should be easily accessible in order to foster an atmosphere that is supportive of entrepreneurs. This has a significant impact on both the choice of business to promote and the decision to become an entrepreneur. Pay close attention if you are a younger or first-generation business owner. The bulk of seed funding comes from loans from banks and other lending institutions; equity comes from angel investors, venture capitalists, and private equity firms. In contrast to conventional bank financing, which relies largely on the criteria of suitable collateral and a proven track record to establish creditworthiness before disbursing funds, equity-based sources are less risk-averse and limited in their ability to fund start-ups. Contrary to venture capital and private equity funds, traditional debt-based models now cover a wider array of entrepreneurial domains. Since VC and PE firms are more prevalent in knowledge-intensive industries, first-generation entrepreneurs should soon be able to get early-stage investment via a variety of creative loan and equity forms.



CONCLUSION

According to initial results, there seems to be a complicated network of variables impacting entrepreneurial activity in India. Indian entrepreneurs are known to be hard workers with a hunger for success who aren't afraid to take chances. It seems that the influence of friends and relatives who are also entrepreneurs plays a big part in the choice to go into business for oneself. In particular, a person's avarice, intelligence, and willingness to take risks are important. In India, cultural differences appear to be significant, despite the fact that entrepreneurs and non-entrepreneurs differ significantly in many respects, including the work ethic that they display openly. Although there are other factors at play, restricted access to credit is certainly one of them. The results of this survey do not allow us to draw any firm conclusions on the role of social network effects in the choice to launch a company. Is there a common denominator among business families that makes them inevitably want to connect with other entrepreneurial families? Is the phenomenon of peer effects a genuine thing or merely the product of social sorting? If the concept of network effects is indeed true, then what are they? Is getting a loan the only thing they facilitate? Do they inspire others and cause them to follow suit? Would you say that these communities are ideal for entrepreneurs looking to gain and exchange knowledge about running a business? Our survey is being updated to provide more accurate responses to

such questions. We are currently waiting to see whether other emerging economies react similarly or differently to India's. Additionally, in many parts of India, there is a lack of data collected at the town level, making it difficult to draw definitive conclusions regarding the impact of institutional traits on entrepreneurialism. One goal of the larger study is to determine how important individual and institutional impacts are.

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