



## Entrepreneurship Education in India: Need for Policy Interventions

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### ABSTRACT

*Entrepreneurship education in India has gained relevance in today's context. Education in the area of entrepreneurship may help people to develop skills and knowledge, which could benefit them for starting, organizing and managing their own enterprises. It has been realized that the educational institutions do not offer any assurance to get access to employment in the formal job market. Entrepreneurship education is extremely important as it encourages innovation, fosters job creation, and improves global competitiveness. The nature of emerging economic entities, the new business formation provides the structures within which individuals acquire most of their economic resources as well as social recognition. Education, training and the work experience are considered as the most common indicators of human capital, associated with the success of entrepreneurs. Against this backdrop the present paper aims at analysing the importance of entrepreneurship education in India. There would also be an attempt at understanding how the policy interventions can be made to strengthen the entrepreneurial spirit among the students. For clarity the paper is divided into the following major sections. Section one focuses on the conceptual analysis of entrepreneurship education. Section two highlights the integration of entrepreneurial education in the curricula of secondary and higher education. Section three initiates the debates on identifying the appropriate policy interventions for educational expansion in entrepreneurship.*

**Key word : Encyclopedia of Entrepreneurship, Subsequent Policy Interventions**

### Introduction

Entrepreneurship education in India has gained relevance in today's context. Education in the area of entrepreneurship may help people to develop skills and knowledge, which could benefit them for starting, organizing and managing their own enterprises. It has been realized that the educational institutions do not offer any assurance to get access to employment in the formal job market. Entrepreneurship education is extremely important as it encourages innovation, fosters job creation, and improves global competitiveness. The nature of emerging economic entities, the new business formation provides the structures within which individuals acquire most of their economic resources as well as social recognition. Education, training and the work experience are considered as the most common indicators of human capital, associated with the success of entrepreneurs. Against this backdrop the present paper aims at analyzing the importance of entrepreneurship education in India. There would also be an attempt at understanding how the policy interventions can be made to strengthen the entrepreneurial spirit among the students. For clarity the paper is divided into the following major sections. Section one focuses on the conceptual analysis of entrepreneurship education. Section two highlights the integration of entrepreneurial education in the curricula of secondary and higher education. Section three initiates the debates on identifying the appropriate policy interventions for educational expansion in entrepreneurship.

### Section I-Entrepreneurship Education:

For the growth and development of any nation, human capital plays as one of the major contributing factors. The role of entrepreneurs in creating new enterprises is of crucial importance. Indian economy needs to enhance the level of innovation, creativity and the spirit of entrepreneurship in order to confront the global competitiveness. In this connection it is important to mention that only accumulation of knowledge and information does not solve the purpose of disseminating entrepreneurial spirit among the students. If the framework of knowledge can transform the organization structure and future in a positive way then only one can say that knowledge is utilised. Hence the success depends upon how the knowledge is utilised, in what direction and for what purpose.

In today's context one needs to reflect upon the trends and advances in technology, which further influences the manufacturing process, process of information technology and on the whole the overall development of the unit. One needs to create additional intellectual capital, which can enable to enhance the capabilities. Improving the training of the staff and providing the learning atmosphere is a very important component for building the intellectual capital, which further enhances the culture of innovation. The learning need not be only passive rather it should be replaced with creativity, active problem solving and innovation. Instead of having rigid rules and regulations the educational institutions need to be transformed into flexible and responsive networks for creating and exploiting relevant atmosphere for dissemination of knowledge and information.

The people involved with training and development should keep in mind that their current activities should continue to promote uniform and standard knowledge and attitude, skills for inculcating entrepreneurial spirit among the learners (Swedberg, 2000). The atmosphere in which the learning and working goes on simultaneously should offer greater variety, peace and solitude for one task and stimulation for the other task.

One knowledge entrepreneur needs to confront the realities of the situation, confront with practical problems rather than getting carried away by the rhetoric of knowledge management. One needs to give a serious thought about what should be the outcome of textual information, conference proceedings as well as imparted training. One could notice the missing dimensions of knowledge creation, knowledge management and the exploitation of the knowledge. The traditional approach to knowledge is entirely different than the way knowledge is conceptualized and conceived today. The traditional approach has emphasized knowledge, which is to be preserved and stored rather than being disseminated. Knowledge is a process rather than an event. What used to be the past knowledge may not be relevant in today's context and may not contribute to open avenues for future opportunities. At the same time one cannot rule out the fact that the contemporary knowledge is based on the past experiences. Experiences contribute in rectifying and modifying the existing knowledge base.

Entrepreneurship as a concept has been defined and analysed in different ways by different scholars across distinct time and space (Sexton and Landstorm, 2000; Hisrich and Peters, 2002). Some of the scholars have tried to define the entrepreneurship education within the same culture of enterprise. Even if there are innovative ideas and new creations, in the same cultural context the industrial bases can be renewed and the modern industrial structures can be maintained and sustained (Jack and Anderson, 1999). Of course it is too difficult a task to arrive at any consensus, as the whole process of conceptualization is never uniform and one-dimensional. Some Indian scholars have made an attempt to provide an integrated approach to the understanding of entrepreneurship looking at the concept and the process from academic, political and socio-economic angle (Tripathi, 1985).

Though the concept of entrepreneurship has been introduced some time back but entrepreneurship education and entrepreneurship research are relatively recent. Entrepreneurship education has a multi dimensional approach. The aim is to effectively interact with the concerned faculty members, students, researchers, entrepreneurs and the policy makers. The basic purpose of encouraging entrepreneurial efforts is to make the entrepreneurs self reliant, create job opportunities, improve the economic condition of the people from different strata and orient the public policy in such a way which could facilitate such initiatives. The recent approach in theorising entrepreneurship has analyzed the process of equilibrium (Krisner 1973, 1982). The very approach of this theory is based on the understanding that the economic imbalance exists in various forms and the entrepreneur takes the initiative to identify these imbalances. Thus it could be interpreted that unlike the traditional view the entrepreneur not only identifies and exploits the existing opportunities but also creates the opportunities for himself / herself and also for others. The definition of entrepreneurship is no more confined within economic sphere and it has been practiced and conceptualized within the discourse of other social sciences, such as psychology, sociology, economic history, business history, anthropology and so on (Swedberg, 2000).

The first systematic approach towards entrepreneurship research and education had taken place in the year 1982 with the publication of "The Encyclopedia of Entrepreneurship". Looking at the contemporary scenario the scope of the entrepreneurship education has been

widened to a great extent. It is no more confined to the economic aspect only. Rather it has multi-disciplinary approach and dimension. The recent changes in the economic sphere have contributed in understanding the entrepreneurial education in a broader way. The curriculum is oriented to enhance the knowledge of the students, teachers, researchers, practitioners as well as the policy makers.

### **Section II-Entrepreneurial Education and the Curriculum:**

One of the major objectives of any educational institution is to impart knowledge to the students. And the knowledge could be considered as the most valuable if it is accessible, latest, current and relevant to the learners. At this juncture, information can be more easily disseminated, what used to be a difficult task, years before. Exploitation of knowledge and information is no doubt of crucial importance at the same time one needs to be aware of the implications, impacts and consequences of the knowledge explosion.

It is important to introduce the course on entrepreneurship in the school curricula in order to encourage and motivate the students to become entrepreneurs. A number of skills have been identified as the important indicator for entrepreneurial skill development such as resource mobilization, evolution, observation, management, risk assessment, team building and so on. Students are in a formative stage in terms of deciding about their careers when they are enrolled in secondary or higher secondary education.

Time and again it has been realized that the curricula introduced in the general education system lack the dimensions of the practical implications of the textual information. The most important task is to extract the practical knowledge about entrepreneurship from the existing text and the curricula. It could be used as a useful exercise for the students of entrepreneurship.

Introducing entrepreneurship education in the curricula has many important dimensions. It has been felt that there is an emerging interest in studies of entrepreneurship (Brockhaus et al., 2001). Being an entrepreneur was never seriously taken into account, hence the educational orientation in entrepreneurship was not a priority among the policy makers, nor the professionals of the leading educational institutions. Introducing the topic of entrepreneurship can legitimize the initiative related to entrepreneurial activities among the prospective entrepreneurs or the stakeholders.

Despite the growing need there is dearth of literature in the area of entrepreneurship education and curriculum. It is very important to bridge the gap between the practical life and the education obtained through the formal educational institutions. The curriculum directed towards entrepreneurial education can contribute in this process (Saini & Gurjar, 2001). A thorough need assessment can help in identifying the real problems and outcome of the existing educational carrier. Only the literature review in this area may not bring substantial results as there is dearth of literature related to the curriculum development in entrepreneurship.

Developing the entrepreneurial spirit among the youngsters may not be only confined and interpreted as the sole responsibility of the educational institutions. Parents, family members and the community as a whole, can also play a key role in encouraging and developing the spirit of the entrepreneurship among their children. One must not overlook the fact that along with the characteristics for being an entrepreneur, the conducive atmosphere suitable to provide the opportunities and encouragement is also essential.

### **Primary Education and Entrepreneurship:**

Entrepreneurship education can also be included in the primary level of curriculum. The children can be introduced to the short stories of successful entrepreneurs, instead of introducing the children a very non-focused curriculum. These stories can help them in inculcating the spirit of entrepreneurship. The NCERT and the state government can take the initiative by introducing such course.

**Entrepreneurship Education at Secondary Level:**

At the primary level the children can only be oriented towards entrepreneurship through interesting success stories. But the real implementation and inculcation of ideas can take place during the secondary level of education as at that time the children are more in a formative stage. Apart from the textual information the students should be encouraged to be taught in a vocational stream. This can only be possible by introducing entrepreneurship as a part of the curriculum. Unless the curriculum is introduced the students may not take their initiative to learn entrepreneurship education.

Recently CBSE has introduced the curriculum for the standard XI and XII students. This is a very positive step to inculcate the spirit of entrepreneurship among the young students. This can change the mindset of the students regarding their future career. The present educational institutions mostly encourage the students to be the job seekers rather than be on their own starting the enterprises. The curricula on entrepreneurship is important in this context. With addition to the individual independence it can bring about social development and prosperity. Basic objective of this course is to develop the understanding on the concept and process of entrepreneurship. They also enable the students to develop the skill of creating and managing the entrepreneurial venture. As an outcome of this course the students learn the entrepreneurial quality, competency and motivation. The course also orients the students to understand the market situation, do the market assessment, environmental scanning and also identifying the entrepreneurial opportunities. They are also taught how to prepare a project report, resource assessment and mobilization of resources. Managing enterprise is also included in the curriculum. There are many qualities, which are indirectly involved to generate and motivate the students to start an entrepreneurial career. The course also aims at developing the leadership quality, selfconfidence, creativity, commitment, team building and taking the initiatives to start one's own venture.

**Entrepreneurship at the Level of Higher Education:**

This is the most critical stage of a student to decide about the career. Unfortunately Indian educational system have not generated much interest among the students to choose entrepreneurship as an alternative career apart from searching jobs in both public and private sectors. Adequate importance should be given on motivating, encouraging the students for launching their own enterprises. The UGC has to take major initiatives to launch the curricula on entrepreneurship in each and every institute/university. By integrating the entrepreneurial curricula into the mainstream education a major step can be achieved. It is very important to understand, apart from the regular teaching on entrepreneurship the students should be motivated and given the adequate support for practical implementations to set up the enterprises.

Apart from creating an awareness and encouragement among the students for entrepreneurship as a career option some other practical help could be given to them. Students should be aware of various support systems and agencies and they can be facilitated to avail loans from banks and other financial institutions.

**Section III-Policy Interventions:**

Identifying the right opportunity at the right time, recognition of appropriate resources, and preparedness for taking risks can all contribute to enhance the spirit of entrepreneurship. Along with the theoretical understanding, entrepreneurship needs to be conceptualized as a practical enterprise. The theory and practice of entrepreneurship needs to be given equal weightage by learning the innovative business pattern in other times, in other societies and in other cultures. Entrepreneurship also needs to be looked at from new angles and perspectives.

It is important to demystify the conceptual understanding of entrepreneurship and transform it into a practical skill that can help the potential entrepreneurs to start their enterprise.

Over the years the importance of introducing entrepreneurial education at various levels of education is being seriously thought as it can lessen the burden of unemployment as well as add on to the economic system of the country. Formal education system is an important medium through which entrepreneurial spirit can be inculcated among the youngsters. With regard to the curricula entrepreneurship education needs to be introduced at all levels of education i.e. primary, secondary and higher education.

The existing programme on entrepreneurship developments has not been able to generate much interest among the young students. The curricula need not be design in such a way that at the end of the course the students could end up having only the textual information, theoretical input and get a certificate. There is an urgent need to introduce the competency-based programme, which is distinct from the conventional programme. The instruction in the classroom can be designed to ensure that the students are confident enough to demonstrate certain competencies essential for starting an enterprise. The students need to be provided with adequate training strategies, methods and instructional materials. The classroom situation needs to be more participatory rather than one-dimensional.

The educational institutions need to follow an integrative organizational model, which can contribute in developing the new ideas and new strategies crossing the borders of the structures and instructions followed in one particular organization. The process of integration both internally and externally in term of creating organizational ties and supporting an atmosphere for organizational-environment linkages can contribute immensely in the process of strengthening the entrepreneurial education.

**Conclusion**

Entrepreneurship education need not be understood from a purely economic-reductionist perspective. Integration of only economic dimension may orient the students towards entrepreneurial career in a monotonous way. Students might lose interest if entrepreneurship is linked only with economic aspect. Rather the students should be taught that the concept of innovation and newness is an integral part of entrepreneurship. The newness or the innovative strategy can be perceived from a new product to a new distribution system to a method for developing a new organizational structure through imparting the entrepreneurial spirit with the help of the educational institutions. Subsequent policy interventions can be made for appropriate introduction of the curricula and teaching methods at all levels of education.

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