



Entrepreneurship In India

KEYWORDS

Entrepreneur, Management Students, Knowledge

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ABSTRACT Factors preventing MBA graduate to become an Entrepreneur Management students has emerged an important area of entrepreneurship development over the past 40 years. Most of this development has been achieved by adapting the theoretical form work of disciplines from outside. This thesis sets out to develop a model of entrepreneurial action that takes its point of departure in entrepreneurs experiences of risk taking ,opportunity identification and roll of self by focusing on what entrepreneurs experience as relevant aspect of the life worlds the goal is to attain a better understanding of the drivers and motivation of venture creation and development. While we know much about general entrepreneurship and the entrepreneur, there is little knowledge about and valid evidence for successful entrepreneurship.

ENTREPRENEUR

Entrepreneur is a person who organize and manages any enterprise, especially a business, usually with considerable initiative and risk. Person who sets up business deals in order to make profits (Collins cobuild)

ENTREPRENEURSHIP

Entrepreneurship is a process of identify and starting a business venture, sourcing and organizing the required resources and taking both the risks and rewards associated with the venture.

In recent years, the term has been extended to include social and political forms of entrepreneurial activity.

WHAT IS CREATIVITY?

- Creative behaviors possessing an element of newness, novelty, and difference (Herrmann, 1996)
- Creativity is an act, an idea, or product that changes an existing domain or that transforms an existing domain into a new one, and creative person is whose thoughts or actions bring these changes.

- Walla's description of creative thinking, suggests a model in four stages:
 - Preparation: problem definition
 - Incubation: resting phase, subconscious mind
 - Illumination: idea of a solution comes to mind
 - Verification: solutions are tested

CREATIVITY AND INNOVATION

- Creativity leads to innovation
- "Innovation is the specific instrument of entrepreneurship. The act endows resources with a new capacity to create wealth. Innovation, indeed, creates a resource." (Drucker)
- Entrepreneurship is all about innovation.
- Innovation is economic or social, rather than a technical term.

OBJECTIVE

- Type of entrepreneurship
- Benefits of entrepreneurship
- Some of the entrepreneur
- Factor preventing MBA graduate to become entrepreneurship

TYPES OF ENTREPRENEUR

➤ Classic entrepreneur

Wants to innovate, Grow big and make lot of money. The Classic entrepreneur is not interested in starting business to give him/her a job. If you want to Start a company makes it profitable and sells it, then you are a classic serial entrepreneur. Most community college entrepreneur programs focus on small business development. Many universities teach entrepreneurship, but from the theoretical point of view.

➤ Small business entrepreneur:

Also known as an income replacement entrepreneur. These would include most family owned business and franchises. If you open up a small single restaurant, or buy a pizza hut franchise, you are a small business person, but not a classic entrepreneur.

For example., lawyers, plumbers, and landscapers start their own small business. If you sell life insurance or real estate you are a small business owner.

➤ Life style entrepreneur

These are entrepreneurs that love what they do and want to live a certain life style. They are usually not as motivated by money as other entrepreneurs. They are willing to make sacrifices in order to stay with something they love

BENEFITS IN OF ENTREPRENEUR INDIA

- Job opportunity
- Economic Growth
- Strength to Small Business
- Desire to be Own Boss
- Desire for Job Security
- Improve Quality of Life
- Succeed Financially

Job Opportunity

If one is a Entrepreneur he can give many jobs to the Society and he will contribute his portion for reduce unemployment and Poverty

Economic Growth

The entrepreneur acts as a trigger head to give spark to economic activity by his decisions he plays a pivotal roll not only in the development of industrial sector but also in form and service sector

Strengthen to Small Business

Entrepreneurs can give their excess job to the person who is

doing small business

Desire to be Own Boss

Self Management is the Motivation that derives many entrepreneurs.

Desire for Job Security

Over the past ten years, large companies have eliminated more jobs than they have created.

Improve Quality of Life

Starting a business gives the founder some choice over when, where, and how to work.

Succeed Financially

Entrepreneurs are wealth Creators.

ROLE OF ENTREPRENEUR

An innovator who combines technical innovations and financial fitnesses. Important role in producing competitive products, processes and services. Generation of new employment. Local and regional economic development. Improved allocation of resources and transfer of technologies.

Entrepreneur as an economic pioneer:

- Introduction of new goods and products
- Introduction of new processes and methods of production
- Opening up of new markets
- Opening up of new sources of supply
- Industrial re-organization

Entrepreneurial Characteristics:

- Vision - entrepreneurs begin with an overall idea for how to make their business idea a success
- High Energy Level - a willingness to work hard
- Need to Achieve - entrepreneurs work hard because they want to excel
- Self-Confidence - fearlessness in the face of difficult odds
- Tolerance for Failure - entrepreneurs are not easily discouraged
- Creativity - entrepreneurs devise innovative ways to overcome difficult problems and situations
- Tolerance for Ambiguity - entrepreneurs take in stride uncertainties.
- Internal Locus of Control - entrepreneurs believe they can control their own fate

SUCCESSFUL AND UNSUCCESSFUL ENTREPRENEURS

➤ Successful

Creative and Innovative

Position themselves in shifting or new markets

Create new products

Create new processes

Create new delivery

➤ Unsuccessful

Poor Managers

Low work ethic

Inefficient

Failure to plan and prepare

Poor money managers

KEY PERSONAL ATTRIBUTES

- Entrepreneurs are Made, Not Born!
- Entrepreneurial Careers
- Need for Achievement
- Desire for Independence
- Self-Confidence
- Self-Sacrifice
- **Entrepreneurs are Made, Not Born!**
 - Many of these key attributes are developed early in life, with the family environment playing an important role
 - Entrepreneurs tend to have had self employed parents who tend to support and encourage independence, achievement, and responsibility
 - Firstborns tend to have more entrepreneurial attributes because they receive more attention, have to forge their own way, thus creating higher self-confidence
- **Entrepreneurial Careers**
 - The idea that entrepreneurial success leads to more entrepreneurial activity may explain why many entrepreneurs start multiple companies over the course of their career
 - Corridor Principle- Using one business to start or acquire others and then repeating the process
 - Serial Entrepreneurs- A person who founds and operates multiple companies during one career
- **Need for Achievement**
 - A person's desire either for excellence or to succeed in competitive situations
 - High achievers take responsibility for attaining their goals, set moderately difficult goals, and want immediate feedback on their performance
 - Success is measured in terms of what those efforts have accomplished
 - McClelland's research
- **Desire for Independence**
 - Entrepreneurs often seek independence from others
 - As a result, they generally aren't motivated to perform well in large, bureaucratic organizations
 - Entrepreneurs have internal drive, are confident in their own abilities, and possess a great deal of self-respect
- **Self-Confidence**
 - Because of the high risks involved in running an entrepreneurial organization, having an "upbeat" and self-confident attitude is essential
 - A successful track record leads to improved self-confidence and self-esteem
 - Self-confidence enables that person to be optimistic in representing the firm to employees and customers alike
- **Self-Sacrifice**
 - Essential
 - Nothing worth having is free
 - Success has a high price, and entrepreneurs have to be willing to sacrifice certain things

Questions To Keep In Mind

- What are my motivations for owning a business?
- Should I start or buy a business?
- What and where is the market for what I want to sell?
- How much will all this cost me?
- Should my company be domestic or global?

District industrial center

DIC program was started in 1978.

The main objective of the program is to providing as services & support to village & small scale enterprises under a single roof.

A DIG is an institution established at a district level.

At present 422 DIC's on functioning in India.

The DIC consider a general manager as a head & four functional managers and three project managers are working under him's.

Objective of DIC

- To develop entrepreneur skill of people.
- To motivate for self employment.
- To providing all the necessary facility in one roof
- To reduce regional imbalance of development
- To check in migration.

Function of DICs

Registration

Infrastructure assistance

Incentive scheme

Seminars

Other activities

Self employment scheme

Co-operative package scheme

Women Entrepreneur:

Women entrepreneurship has been recognized as an important source of economic growth. They create new jobs for themselves and others and also provide society with different solutions to management, organization and business problem.

However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanism; limited mobility and access to information and networks, etc.,

Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the millennium development goals (MDGs) thus; governments across the world as well as various developmental organizations are actively undertaking promotion of women entrepreneurs through various schemes, incentives and promotional measures.

Role of women as an Entrepreneurship

Imaginative

Attribute to work hard

Persistence

Ability and Desire to take risk

Profit earning capacity

Education/IT/Demographic & Economic Trends

Education

- One hundred U.S. colleges and universities offer entrepreneurship majors.
- Universities are helping students launch businesses.
- Many programs teach entrepreneurship to young people.

Information Technology

- Technology has given entrepreneurs tools that help them

compete.

- Entrepreneurs have used information technology to revolutionize industries.

Demographic and Economic Trends

- Aging of U.S. population.
- Emergence of Hispanics as nation's largest ethnic group.
- Growth of two-income families.

Problem Facing Indian Entrepreneurs & Few Solutions: Risk Averse Society

Even after independence, the society and government are not very encouraging towards Entrepreneurship. For instance, every year over 1 million new companies are started in the U.S., almost 50% of them fail the very first year. Whereas in India the numbers of startups are in low 100k's, living out the small family owned retail shops. An important observation in that failure is accepted as a natural part of Entrepreneurship and is not viewed as a dead end in the United States. On the country, the Indian society, to large extent, is risk adverse

Entrepreneurial Ecosystem

There is an urgent need for an ecosystem of mentors, and programs that nurture entrepreneurship. On a positive note, a few initiatives like The Indus Entrepreneurs (TIE) are already working actively in creating this ecosystem.

Government Support

One popular concern entrepreneurs shared in common is the lack of government support. In spite of the fact that India is Democratic, secular and liberal country with laws and reforms which are not inferior to the developed world, India lags a country like U.S in law-enforcement. Even though the government and bureaucrats have to take most of the blame, nevertheless, designing and enforcing laws and reforms in a country where every 200 miles you will find a new religion, culture and language is non-trivial and requires a truly entrepreneurial approach

The future of entrepreneurship in India

Recently, India is considered to be amongst the three top Investment Destination. According to a report released by Value Serve Research, over 44 U.S based VC firms are not seeking to invest heavily in startups and early-stage companies in India. Reports from Price Water House Coopers.

Predict that between 2014 and 2024, 2219 multinational Companies will emerge from India.

Famous entrepreneurs in India

Dhirubhai Ambani – Reliance industries

Lakshmi Mittal – Arcelor Mittal

Sachin and Binny Bansal – Flipkart

Jamsetji Tata – Tata Groups

Sunil Mittal – Bharathi Groups

Azim Premji – Wipro

Anand Mahindra – Mahindra & Mahindra

Shiv Nadar - HCL

Kalanidhi Maran – Sun Groups

Brijmohanlal Munjal – Hero Groups

Famous Women Entrepreneurs in India

Indira Nooyi – CFO – Pepsico

Naina Lal Kidwai – Country head – HSBC

Kiran Mazumdar Shaw – CMD – Biocon

Chanda Kochar – CEO – ICICI

Ekta Kapoor – JMD – Balaji Telefilms

CONCLUSION

- Entrepreneurship is a challenging and rewarding profession
- Need to concentrate on market analysis, financial resources and technology management
- Cannot compete directly with the “big guys”, so need to be ingenious and innovative in all entrepreneurial functions