

Challenges and Opportunities for Entrepreneurship Development in Indian Scenario

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Abstract: Entrepreneurship is vital for economic growth and employment in all societies of the developing countries. In developing country like India, where successful small businesses are the primary engines of job creation and poverty reduction, Entrepreneurship plays an important role. Entrepreneurship has great importance in various economic systems and it prevails in all economic systems in one form or the other. ENTREPRENEURSHIP is the key word to Innovation, Creativity and Motivation. An entrepreneur is a rare person who can visualize and materialize water in the desert. This paper provides an overview of entrepreneurship development, entrepreneurial qualities, opportunities and challenges faced by an entrepreneur.

Keywords- Challenges, Development, Entrepreneurship, opportunities.

I. INTRODUCTION

When scarce resources are gathered, organized and used innovatively and effectively it leads to creating economic value and development, this process of creating value is Entrepreneurship. According to Schumpeter, economic development consists of “employing resources in a different way,” in doing a new combination of means of production. An entrepreneur locates ideas and puts them into effect in the process of economic development.

In developing countries like India, large number of small entrepreneurs and smaller number of large entrepreneurs fuel the process of economic development. Entrepreneurship is all the more important under capitalism and mixed economy where not only the responsibilities of the entrepreneur in production and distribution are recognized but objective of the growth of business and profit maximization is also attained. Therefore, the importance of entrepreneurship stands beyond challenge in every economic system except under socialism where it takes a different form.

II. Characteristics of an Entrepreneur

Examining some of the most successful entrepreneurs shows that there are certain personal characteristics prominent in them, such as:

1. **Hard Work:** To do what it takes is the core characteristic of an entrepreneur. Willingness to work hard, dedication towards their work and perseverance are the qualities that can take an enterprise forward or save one from brink of failure.
2. **Mental Ability:** From inception of an idea to its execution, organizing the resources, decision making, an entrepreneur's task requires mental ability. Mental ability consists of intelligence and creative thinking.
3. **Clear Objectives:** Even before an entrepreneur has begun his/her journey he/she should be clear of the objectives, as to the exact nature of the business, the nature of the goods to be produced and subsidiary activities to be undertaken.

4. **Desire for High Achievement:** High achievement motivates and strengthens an entrepreneur to face the challenges of complex business world, overcome obstacles, exploit the business opportunities, repair misfortunes and only set up and run a successful business.
5. **Business Secrecy:** An entrepreneur must be able to guard business secrets and carefully select his partners / assistants to ensure no trade secrets are leaked.
6. **Highly Optimistic:** Entrepreneur should be solution focused and not problem focused, he/she should have an optimistic view of situations and future. This allows an entrepreneur to be not affected by the problems and run their enterprise successfully in future.
7. **Human Relation Skills:** This can be considered as the most important personality factor contributing to the success of an entrepreneur. Human relation skills involve emotional intelligence, inter-personal communication, consideration, trust and tactfulness.
8. **Communication Ability:** Communication skills are the ability to deliver and receive a message with the same understanding as intended, any interpretation leads to failure of communication. Simply put it means ability to understand each other and being understood. An entrepreneur should be able to effectively communicate with customers, employees, suppliers and creditors.
9. **Independence:** One of the common characteristics of the successful entrepreneurs has been that they do not like to be guided by others and to follow their routine. They resist to be pigeonholed. They liked to be independent in the matters of their business.
10. **Technical Knowledge:** An entrepreneur must have a reasonable level of technical knowledge related to his/her offerings.
11. **Foresight:** The entrepreneurs have a good foresight, they should be able to visualize the likely changes to take timely actions accordingly.
12. **Good Organizer:** Different resources scattered from each other, an entrepreneur should have an ability to bring together all resources required for starting up an enterprise and to produce good or deliver the services.
13. **Innovative:** An enterprise is created to satisfy the customers' requirements. As the taste and requirements of customers changes from time to time, entrepreneurs need to initiate research and innovative activities to produce goods to satisfy the changing demand of customers. Companies like Apple thrive because of their culture of innovation.

III. Challenges Faced by an Entrepreneur

The rise and development of entrepreneurship depends on economic, social, political, psychological factors, which have both positive and negative influences on the emergence of entrepreneurship. For analytical purposes, these conditions/factors are grouped and discussed under following categories:-

I. Economic Factors

1. **Capital:** - Capital is one of the most important prerequisite economic factors to set up an enterprise to bring together the land of one, machine of another and raw materials of yet another to combine them to produce goods.

2. Labor :- Both quality and quantity of labor influences the emergence of entrepreneurship.

3. Raw Materials:- In the absence of raw materials, neither any enterprise can be established nor an entrepreneur can be emerged. However in technological innovations based enterprise, physical labor is substituted with technology and intellectual property can compensate for raw material inadequacies.

4. Markets:- The size, composition and rate ODF growth of market influence entrepreneurship in their own ways.

II. Non-Economic Factors

1. Social Conditions:- Man is a social animal, social environment strongly affect the entrepreneur and his/her growth. The social factors may be: a) Family background, b) Kith and kins, c) Religion d) Social Status. e) Social mobility

2. Technological Environment: - Technology represents the application of scientific knowledge for practical purpose. 20Th century has seen a shift from agriculture and rural life to urban life, utilization of energy and power for our benefit, the ongoing process of technology through R & D efforts have led to more comfortable lifestyles and a very large industrial base.

3. Legal Environment:- there are various rules and regulations applicable tom different groups of industries, for various purposes. Some of them relate to – Registration. Licensing, pollution, location, acquisition, payment of wages and labor related laws relating to organization, product, patent, resource and taxes.

4. Cultural Environment:- Every organization has an invisible component of quality- an invisible thread that ties, a certain style, a character, a way of doing things- that may be more powerful than the dictates of any, one person or a formal system. This invisible component is 'the corporate culture' decides how effective the organization is in the marketplace.

IV. Government Actions

The Government by its actions or failure to act, influences both the economic and non-economic factors for entrepreneurship..

V. Opportunities for Entrepreneurship development in India.

India has remarkable opportunities for the development of Entrepreneurship. The increasing unemployment in India and growing frustration among youth left with the only option of Entrepreneurship Development.

Listed below are the great opportunities for an

Entrepreneur for a good start up.

1. Tourism: Tourism is a booming industry in India. With the number of domestic and international tourists rising every year, this is one hot sector entrepreneurs must focus on. India with its diverse culture and rich heritage has a lot to offer to foreign tourists. Beaches, hill stations, heritage sites, wildlife and rural life, India has everything tourists are looking for.

2. Automobile: India is now a hot spot for automobiles and auto-components. A cost- effective hub for auto components sourcing for global auto makers, the automotive sector is potential sector for entrepreneurs.

3. Textiles: India is famous for its textiles. Each state has its unique style in terms of apparels. India can grow as a preferred location for manufacturing textiles taking into account the huge demand for garments.

5. Education and Training: There is a good demand for education and online tutorial services. With good facilities at competitive rates, India can attract more students from abroad. Unique teaching methods, educational portals and tools can be used effectively to make the sector useful and interesting

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