



## Developing Entrepreneurship among Youth in India: The need of the day

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**Abstract:** *The development of Indian society in general and the growth of the economy in large, requires the strong empowerment of youth and their transformation from job seekers to job creators, by channelizing their creative skill and energy towards successful business ventures. In a developing economy like India, promotion of entrepreneurs and entrepreneurship has become a priority for the governments, financial institutions and academic institutions. Partly because, it is believed that such growth was made possible by efforts of the governments, institutions, and individuals who responded to calls for setting up business units.*

**Key words:** *development, optimism, promotion, transformation*

### Introduction:

The development of Indian society in general and the growth of the economy in large, requires the strong empowerment of youth and their transformation from job seekers to job creators, by channelizing their creative skill and energy towards successful business ventures. In a developing economy like India, promotion of entrepreneurs and entrepreneurship has become a priority for the governments, financial institutions and academic institutions. Partly because, it is believed that such growth was made possible by efforts of the governments, institutions, and individuals who responded to calls for setting up business units.

India is one of the fastest growing economies in the world. It also has a significant youth population. But the country has only a substantial number of entrepreneurs. If India is to tap the entrepreneurial talent of its people, its leaders must enact significant reforms that increase support for new businesses in the formal sector. India needs to minimize barriers and provide support

that will accelerate entrepreneurial growth.

Presently Indian youth face two problems – One is lack of soft skills to get placed at the corporate world and the second is the lack of entrepreneurial skills to start own business enterprise. Today's students of higher educational institutions of India are ambitious to experiment new things but unfortunately are not encouraged by their parents because parents want their children to play safe. Entrepreneurship is quite challenging and most of the students in that age and stage would like to try for it but the socio-economic conditions do not encourage for the same.

Not every individual, even armed with training and reinforcement, can be a successful entrepreneur. Success comes more naturally to those who have inherent talent for the Endeavour. Successful entrepreneurs are likely to be optimistic, goal-oriented, and persistent. When examining Indian's profiles using these criteria, the population appears to have an abundant resource, of entrepreneurial talent.



More than 60% of the Indian population possesses personality traits that are crucial for success as an entrepreneur – such as Business thinking, optimism and persistence – which suggests a wealth of entrepreneur capacity. However, willingness to take the risk of running a business is not a common trait among a majority of indices.

### ***Meaning and Definitions of Entrepreneurship***

The word entrepreneur originates from the French word, '*entreprendre*', which means '*to undertake*'. In a business context, it means to start a business.

Austrian economist Joseph Schumpeter's definition of Entrepreneurship placed an emphasis on innovations, such as; new products, new production methods, new markets and new forms of organization. Wealth is created when such innovation results in new demand.

From this viewpoint, one can define the function of the entrepreneur as one of combining various input factors in an innovative manner to generate value to the customer with the hope that this value will exceed the cost of the input factors, thus generating superior returns that results in the creation of wealth.

The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. The most obvious example of Entrepreneurship is the starting of new businesses.

In Economics, Entrepreneurship combined with land, labour, natural resources and capital can produce profit. Entrepreneurship spirit is characterized by innovation and risk-taking, and is an essential part of a nation's ability to succeed in an ever changing and increasingly competitive global market

place. There are more entrepreneurs than investors on the **Forbes** list of wealthiest people, but that doesn't mean Entrepreneurship is necessarily a better wealth builder than investing.

### **Causes for lack of entrepreneur skills in youth:**

**No social security measure:** there are any social security measures in India. Parents want their children to go for stable employment so that there will not be any problem either for their children or for themselves in future. This prevents the youth from trying and experiment the unexplored areas of entrepreneur and their ambitions lie untried and untested.

**Education system in India:** The present educational system encourages cramming and only for the examination sake. Mind and energy are not used on creativity and practical application of knowledge. Experimenting and research are given minimum priority for young students of HEI's in India.

**Fear of failure:** The youth are more worried about the fear of failure. They are more concerned about their failure rather on their success and it inhibits their entrepreneurship zeal and enthusiasm. They are more concerned about the society rather than on themselves. As in entrepreneurship risk taking is a major factor and failure is always around. Failure is always the gap between the expectation and the reality. When the outcome is against our predictions despite put their sincere efforts and energies then it is termed as failure.

**Fear of criticism:** The youth are also very skeptical about criticism. They are not ready to accept criticism and take it



to their stride; rather they are much bothered about it and become overcautious about everything.

Facing failure and criticism is the most challenging task for any human being. Everyone loves success and hates failure. This is inherent in the human nature. Is it possible to achieve success without failure? Of course, it is not possible.

**Mind set:** In India the youth are having the mindset of job seekers rather than a job creator. The basic criteria for joining a HEI by a student in India is to see that finally after completing the course of study they land up with a job with very handsome salary package. They join a institution for getting a good job rather than learning exposure available.

**Missing leadership quality:**

Leadership quality is seen missing among youth in India. Most of them like to be a follower of others rather than leading from front. Leadership skills and entrepreneur skills have interconnectivity. Lack of leadership qualities among the youth is the cause for concern in our country. The present scenario does not encourage the students to cultivate leadership qualities, which are the essence for entrepreneurial skills.

***Enhancing Entrepreneur skills:***

The Indian Government up to nineties did not encourage free entrepreneurship due to the policy of mixed economy. Whatever the little entrepreneur zeal people had got killed due to this

Today in India it requires the strong empowerment of youth and their transformation from job seekers to job creators, by channelizing their creative skill and energy towards successful business ventures. Youth must be groomed at their higher education levels

with the thought of entrepreneurship and must be thought entrepreneurial skills. The educational institutions need to encourage entrepreneur skills right from the curriculum itself. The Government should also take initiative to encourage the youth by providing conducive climate for the same. The parents should also encourage their children with the changing industrial climate across the country, which is highly favorable for experimenting entrepreneur skills. The teachers and faculties should motivate and inspire the students in this area.

The passion to perform must be the bed rock for the youth. They should realize that instead of struggling for employment they should put little more efforts and energies to provide placements for other unemployed youth by setting up their own enterprise.

**Looking into the most important element of entrepreneurship:- Risk v/s Return:**

Risk is directly proportional to return. Higher the risk, higher the return and vice versa. In any business venture every entrepreneur should learn this fact and should plan his resources accordingly. Again risk is inversely proportional to age. In the young age, there is a possibility of taking higher risk. As the age increases the risk taking capacity among the individuals decreases and gradually the energy and enthusiasm among the individuals fades away.

**Conclusion:**

There is a need to cultivate leadership qualities and inculcate entrepreneur skills among the Indian youth so that it helps in the rapid progress of our country. The Indian society, by and large, has a distinct preference for service / decent job, that provides economic security and access to



power that be. Youth get exposure to this kind of pro-service culture since childhood. They grow up with a job-oriented mindset, and seldom think of entrepreneurship as a career.

Our educational system also rarely exposes the students to entrepreneur; prepares them for a job instead. Even if someone with a high entrepreneur aptitude wants to set up a business, she/he is discouraged by a host of adverse factors; lack of adequate access to information on setting up and operating a business, procedural hurdles, lack of start-up funds, lack of adequate networks and mentoring support, difficulty in accessing to technology, lack of a supportive system, operational difficulties, and the nightmare about the consequences of failure. These factors loose large and hinders the emergence of entrepreneur in adequate measure.

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