

ENTREPRENEURSHIP DEVELOPMENT IN INDIA: ISSUES, CHALLENGES AND PROSPECTS

Dr. Sunita Chopra*
Mrs. Sushmana Chopra**

ABSTRACT

Entrepreneurship development is currently one of the most important area of concentration, as it has enormous potential for producing jobs and self-employment, as well as contributing to economic development. In the last few years, India has experienced a rapid increase in the number of start-ups and new-age entrepreneurs. Both the Central and state governments have been engaged in encouraging the growth of entrepreneurship in the country. The government has implemented several initiatives aimed at attracting investors and developing a healthy entrepreneurial environment. The government takes every step to encourage youth of our country so that they become an entrepreneur. But despite initiatives and various schemes launched by the government, new and existing entrepreneurs are still facing so many problems and challenges while starting their businesses. On the other hand, so many prospects are available to entrepreneurs. In this research paper we explore what problems and challenges are faced by new and existing entrepreneurs and what prospects are available in entrepreneurship.

Keywords: *Entrepreneurship Development, Entrepreneur, Problems, Obstacles, Prospects.*

Introduction

Entrepreneurs play a significant role in generating innovative products in an increasingly globalized world economy. Entrepreneurs use their innovative skills to turn their ideas into business prospects, which is a primary source of competitiveness. Entrepreneurs determine a country's economic destiny by creating jobs and wealth, supplying products and services, and producing taxes for the government, hence entrepreneurship is directly related to the country's economic growth. As a result, the government works to increase the supply of qualified and globally competitive entrepreneurs in every country. The planned and organized growth of a person into an entrepreneur is referred to as entrepreneurship development. The formation of an entrepreneur involves establishing entrepreneurial abilities in ordinary people, giving necessary knowledge, improving technical, financial, and managerial skills, and developing an entrepreneurial attitude. Our country is facing a numerous problem, unemployment and poverty are the major one. An entrepreneurship can play an important role. In India, there are so many small entrepreneurs, who can fuel the economic development. In this direction, govt. took numerous steps "Skill India and "Start Up" were one of them. The objective of these programs was to train and develop entrepreneurship skills among Indians. These program also offers various incentives to new ventures to encourage entrepreneurship and innovation. But, still there are so many issues or problems in the progress of entrepreneurship development programmes in India.

* Associate Professor of Commerce, Pt. CLS Government College, Karnal, Haryana, India.

** Associate Professor of Commerce, S.M. Government Girls College, Safidon, Haryana, India.

Issues or problems in the progress of entrepreneurship development programmes in India

- **Lack of Policy at the National Level:** Despite the fact that the Indian government recognizes the importance of entrepreneurship growth, we lack a national policy on the subject. The government is expected to establish and implement a policy aimed at encouraging balanced regional development in diverse areas through the promotion of entrepreneurship.
- **Problems at the Pre-training Phase:** The training promotion groundwork carried out by the training organization is critical to the success of EDP. Identification of business prospects, finding and locating target groups, selection process of trainers and trainees are some of the issues faced in pre-training phase.
- **Selection of wrong Trainees:** Under the EDPS, it is expected that the trainees have a desire to be self-employed, and that training will encourage and assist them in successfully establishing and operating their businesses. As a result, these organizations exaggerate the ability and potential of educated youngsters. As a result, on the one hand, EDPs do not provide adequate training, and on the other side, financial institutions are not willing to finance risky businesses started by inexperienced entrepreneurs.
- **Duration of EDPs:** During the conduct of EDPs, an attempt is made to thoroughly prepare prospective entrepreneurs for the many challenges they would face during the setup and operation of their businesses. The majority of these EDPs last between 4 and 6 weeks, which is insufficient, time to teach basic managerial abilities in businesses. As a result, the goal of cultivating and strengthening entrepreneurial characteristics and motivation is undermined.
- **Non Availability of infrastructural facilities:** There is no earlier planning for EDPs held in remote and backward locations that lack of infrastructure facilities such as proper classrooms, appropriate guest speakers, boarding and lodging, and so on.
- **Improper Methodology:** The course content is not standardized, and the majority of the agencies involved in EDPs are not aware of what they are required to accomplish to meet pre-determined objectives. This puts into doubt the usefulness of these programmes.
- **Non Availability of Competent Faculty:** Firstly, there is a shortage of qualified teachers, and even when they are available, they are unwilling to teach in small towns and rural areas. This, of course, causes issues for the agencies conducting EDP.
- **Mode of Selection:** There is no standard technique for identifying potential entrepreneurs used by various agencies. Organizations that offer EDPs prefer people who have their own project ideas, therefore this chance is not available to everyone who is interested.
- **Poor Response of financial Institutions:** Entrepreneurs are unable to provide collateral security for loan approval. Banks are unwilling to take risk with public funds, thus they place a variety of conditions on loan approval. Those entrepreneurs who do not comply with the restrictions are unable to obtain loans, and hence their ambition of starting their own business is ruined. Lending institutions' helpful attitudes will go a long way toward encouraging the entrepreneurial climate.

Challenges faced by Indian entrepreneur before starting up enterprises

- **Finance:** Finance is one of the most important requirement for starting up a new business. Obtaining funding for your business is one of the most significant challenges that all businesses confront and must overcome in order to exist. While you may have put money aside to start a business, it will not be enough to keep you afloat for long. A steady cash flow is essential for a business's survival, and you should always have extra cash on hand to cover unexpected expenses.
- **Lack of Planning:** The number of start-ups that fail because they "forgot" to plan is astounding. Or maybe they did strategize, but didn't cover all of the bases. Sales, development, and funding aren't afterthoughts when it comes to key sites. They must all be included in your business plan from the beginning. Not only that, but you must also prepare for the critical things you cannot anticipate. That is, even if you can't plan for every eventuality, you must be aware of what you're most likely to do when (not if) things go wrong.
- **Uncertainty and self-doubt:** Dealing with the uncertainty of the venture might be difficult for first-time entrepreneurs. Entrepreneurs frequently believe they are ultimately accountable for their company's success or failure. Many diversions and departures from the original plan are also present. All of this might put a strain on the business owner. Entrepreneurs should maintain their temper and stay faithful to their goals.

- **Attractive Customers:** Obtaining clients for your product or service might mean the difference between a company's success and failure. Many businesses have started with great ideas but failed to succeed because they were unable to reach the correct clients. The entrepreneur should devote time to learning about client expectations and, if necessary, use their network to reach out to them.
- **Making Decisions:** Making decisions in a business setting may be difficult, especially when there are so many factors to consider. When making a decision, entrepreneurs may confront a challenge, especially if they have limited information. Entrepreneurs must also avoid becoming unduly involved in decision-making and producing a delay that will slow down growth.
- **Cost-effective marketing on a limited budget:** Some startups believe that ignoring marketing methods and relying solely on word-of-mouth will suffice. As a startup, it's critical to gain attention within your target market. To reach your target customers, you should use effective marketing strategies within a limited budget. However, expecting clients to find you is a mistake unless you take a concerted effort to grow them with a well-structured marketing approach.

Prospects of Entrepreneurship Development in India

India offers incredible potential for entrepreneurship development. As India's unemployment rate rises, so does youth dissatisfaction, leaving only entrepreneurship development as a viable option. The following are some excellent start-up prospects for an entrepreneur.

- **Tourism:** India's tourism industry is expanding. With the number of domestic and foreign tourists increasing year after year, this is a hot area that companies should pay attention to. India has a lot to offer foreign tourists, with its diverse culture and rich legacy. India provides everything tourists are searching for: beaches, hill stations, heritage sites, wildlife, and rural life.
- **Autos and auto-components:** India has become a hotbed for automobiles and auto-components. The automobile industry is a viable sector for entrepreneurs because it is a cost-effective hub for obtaining vehicle components for global automakers.
- **Textiles:** India is known for its high-quality textiles. In terms of clothing, each state has its style. Given the enormous need for clothing, India has the potential to become a favored destination for textile manufacturing.
- **Education:** Education and online tutorial services are in high demand. India can attract more international students if it provides adequate facilities at reasonable prices. To make the sector relevant and entertaining, unique teaching methods, educational portals, and technologies can be employed effectively.
- **Transportation:** India has wide opportunities in transportation because here lack of transport facilities. e.g. public transport, good transports, air transport etc. The entrepreneur can start transport service for public like online taxi service, travelling agency, goods transport service, air taxi, transport service for agricultures, special transport service like; medicines, livestock, fruits, chemicals, refrigerated vans or trucks, industrial large equipment transportation etc.
- **Food Products:** India is famous for their delicious foods. Also it is second largest food producer of the world. There are large possibilities of growth and expansion of in area like; producing, consuming, export, store, transport, packing, refrigeration, canning etc. The quality product demands and food service demands of consumers have opened up more opportunities in country as well as outside of country in food processing and equipment industry.
- **Online Work:** Government takes initiative to introduce India as a "Digital-India" and also introducing several schemes to motivate public for doing online transactions. This saves lot of time and money. People can easily do anything on one click of their phone. The entrepreneurs can work in this area.

Conclusion

Entrepreneurship development in India can be successful when we resolve all the issues and challenges which were highlighted in this research paper. The government has to make national policy and tackle all the problems and challenges in the path of entrepreneurship development. And, there are huge prospects available in Different fields. The Entrepreneur has to select right area of his own interest.

References

1. Vasant Desai (2010), "Dynamics of Entrepreneurial Development and Management", Himalaya Publishing House.
2. Gordon E. & Natarajan K. (2007), Entrepreneurship Development- Himalaya Publishing House, Second Revised Edition.
3. S.S. Khanka, Entrepreneurial Development, - S. Chand
4. <https://www.slideshare.net/col.vishal/entrepreneurship-opportunities-in-india>
5. Entrepreneurship development of India –Debasish Biswas and Chanchal Dey
6. Prof. Reshma R.Pais and Dr. Shivani O.Katakwar "Entrepreneurship development in India : Challenges and Opportunities" International Journal Of Science, Engineering and Management (IJSEM) Vol 2, Issue 7, July 2017 ISSN (Online)2456-1304.
7. Shyam Patidar "Opportunities Available for Entrepreneurs in India" International Research Journal of Engineering and Technology (IRJET) e-ISSN: 2395-0056 p-ISSN:2395-0072.

