



EMPLOYMENT ENTREPRENEURSHIP AND EDUCATION: NEW WAYS OF SUCCESS WITH SPECIAL REFERENCE TO INDIA

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Abstract

The proposal of imparting entrepreneurship into education and its impact on employment has spurred much enthusiasm in the last few decades. Putting this idea into practice has however posed significant challenges alongside the stated positive effects. Lack of time and resources, teachers' fear of commercialism, impeding educational structures, assessment difficulties and lack of definitional clarity are some of the challenges practitioners have encountered when trying to infuse entrepreneurship into education.

Keywords: Entrepreneurship, Education, Employment, Challenges, Policy Agenda, etc.

Objectives

- To check why entrepreneurship is applicable to education which has so far primarily been viewed from economic points of view.
- To estimate the effects to spotlight on changing scenario over time in the educational system.
- To deal with the series of model to impart entrepreneurship into education.

The study covered the following questions:

- How can we categorize the precise needs of youth within entrepreneurship?
- How has the outlook of the young graduates towards entrepreneurship skills contributed to the problem of unemployment?
- What are the factors affecting entrepreneurial characteristics among the young graduates in India.
- What are the suggested policies set by the governments?

Research Methodology:

The present study entitled “*Entrepreneurial Education – a New Way of Success with special reference to India*” is a topic that requires both the exploratory (based on secondary data) as well as descriptive (based on primary data) studies. The study is primarily based on secondary data and partially on primary data.

Introduction:

Who is an 'Entrepreneur ' An entrepreneur is an person who, rather than working as an employee, founds and runs a small business, assuming all the risks and rewards of the venture. The entrepreneur is generally seen as a leading light, a source of new ideas for goods and services and business procedures.

Entrepreneurs plays key role in any economy across the globe. They are the people who have the skills and initiative necessary to anticipate current and future needs and bring good new ideas to market. Entrepreneurs who prove to be successful in taking on the risks of a start-up are rewarded with profits, fame and continued growth opportunities. Those who fail in it usually suffer losses and become less prevalent in the markets.

What is ‘Entrepreneurship’ it is basically one of the resources economists categorize as fundamental to production, the other three being natural resources, labour and capital. An entrepreneur combines the initial three of these for manufacturing of goods or to provide services. He or she typically creates a business plan, hires labour, acquires resources and financing, and provides leadership and management for the business.

Entrepreneurs commonly face many obstacles in building their companies. Many of them face the most challenging constraints like overcoming bureaucracy, hiring talent and obtaining financing.

As entrepreneur acts as a coordinating agent in a capitalist economy, this coordination takes the shape of resources being diverted towards new prospective of profitable opportunities. The entrepreneur moves towards the various resources, both tangible and intangible, promoting capital formation, therefore entrepreneurship is imperative for the Economy.

Need of Entrepreneurship Education in India:

If India wants to be among the developed countries, the government should become conscious to the fact that only entrepreneurs can help country to grow at the desired rate. The government should outline its policies to look after and encourage promising entrepreneurs. So, India needs to venture out into the world of entrepreneurship by putting up rational property and creating wealth, which expectantly will find its way back into the system to fund more start-ups. India may be become a hub of innovation as the increasing share of global research and development shifts here. But people are still not making desired changes towards the entrepreneurship. India needs Entrepreneurs so that the new entrepreneurs will inspire the next generation. That will be the real beginning of the age of Indian technology and entrepreneurship and to do this, the government needs to focus on Entrepreneurship education for creating a group of trained and highly skilled entrepreneurs. Entrepreneurship has become a fundamental aspect in promoting economic success, steadiness and wealth.¹

The impact of entrepreneurship has contributed enormously in dropping the level of unemployment and by this means it also promoted employment opportunities among the youth especially university graduates. The development and economic constancy of every nation has been shaped and carved by men and women who have taken their destinies in their own hands by perceiving opportunities and risk in their resources (money, machines, materials, men) in establishing and operating their own business. A successful entrepreneur must have core values, must be consistent, determined relentless and also not be weary by any circumstances. Constant understanding of such attitudes will go a long way in shaping and encouraging entrepreneurship within a particular country.²

The Economic Development of a nation depends on its Industrial Development. The industrial development is on other hand depends on the entrepreneur competencies of the people. Consequently, the concept of building entrepreneurship promotion is need of the hour. The term “entrepreneurship” comes from the French verb “entrepreneur” and the German word “unternehmen”, both means to “undertake.” In

simple term entrepreneurship is the act of being an entrepreneur which can be termed as “one who undertakes finance, innovations and business insight in an effort to transform innovations into economic goods”. Peter Drucker proposed “entrepreneurship” is a practice.³ It means that entrepreneurship is not a state of being nor is it characterized by making plans that are not acted upon. Entrepreneurship begins with acts and creation of new organization. This organization may or may not become self-sustaining and in fact, may never bring in significant revenues, but when individuals create a new organization; they have entered the entrepreneurship paradigm.⁴

Entrepreneurship has become a key driver in economic growth as it has enormous potential for employment opportunities. In the last two decades entrepreneurship education has grown rapidly which is reflected in the inauguration of national and international business plan competition.⁵

Entrepreneurship Challenges in India:

Policy Challenges: With every new government there are always a lot of changes in the policies initiated from time to time which is a biggest drawback for development scenario due to the inconsistencies of the policies.

Technological Challenges: Indian Education system lags excessively from the job industry as a whole but then it lags even more when it comes to online entrepreneurship. What technology would be best and how to use that technology effectively is always and still in a tight spot.

Family Challenges: Convincing to stout for business over job is not really simple task for an individual. The first thing compared is- will you make more money in business of your choice or as a successor of family business and ultimately this act as a barrier for a person to choose business over job.

Financial Challenges: Difficulty to Borrowing Fund is among one of those challenges. Financial Challenges seen massively everywhere in India especially creating troubles for online entrepreneurs. When you are starting out as an entrepreneur we don't plump for venture funding but we always try to go with the funding from small to medium business people. Many such non-technical business

people don't understand the online business models as a whole and so getting an initial business funding from them becomes challenging. The other option we can think of is loan but bank loan is not at all an option in India for new online entrepreneurs.

Incomplete Entrepreneurship Education: A survey done by the Entrepreneurship Development Institute(EDII), India in 2003 shows that young people are scared to commence their own business because they are not convinced, not capable, and require knowledge in starting a business. Many people get the opportunities to change jobs or become an entrepreneur if they are properly trained. The students in India are not confident with the traditional education they receive in the university.

Reliance on government: Higher degree of reliance on government is another challenge before entrepreneurship education in India. Inadequate private-sector participation and lack of sustainable business models in the entrepreneurship education act as the barricades to its development in India.

Lack of a standard framework: Entrepreneurship education is widely spread has diverse forms and have a large number of stakeholders as well. However the overall state of affairs are perplex, one that lacks broad vision, goals, and systematic planning (akin to the 5-year plans for the economy). The lack of a standard framework is a immense challenge to the development of entrepreneurship education in India.

Lack of capital: In most recent proceedings, during the recession of 2008, the Indian middle division of entrepreneurs had undergone the most due to the withdrawal of foreign investments which got converted into a lack of credit, which after that led to the collapse of a lot of ventures. Also, there is the typical role of animal spirits where new investors desire to invest in successful old ventures and feels cautious to invest in the newer ones. The numbers of venture capitalist and angel investors in India are low, significantly yet unspecified but the fact is that Indian entrepreneurs lack proper guidance, i.e. there are not numerous successful mentors.

Average Group of Talent: The workforce foundation in India is considered to be very mediocre with the majority wandering towards the IT sector, thus exhausting other sectors majorly and the technical group of talent also considered not “up to the mark”. Another factor contributed to the lesser no of entrepreneurs is the fact that it’s considered to be as “less glamorous” an occupation, although this perception is slowly changing with the increasing publicity it’s receiving as well as the proposals that are being taken to promote entrepreneurship amongst the youth.

Education and Entrepreneurship:

The developing skills and competencies among the youth population is posing a serious concern for educators and core curriculum of developers in India. Paradoxically, the country which has the benefit of being a young nation, has the enormous bulk of students drop out at diverse stages of school education and at the same time are usually benefitted of the employable skills and competencies. The Indian experience of vocational education has a history of four decades; it lacks success in its growth and effective implementation. The recent initiatives of Government of India prioritise on skill development programmes with employment potential and direct utility in life.⁶ The high-flying among such programmes are setting up of the National Skill Development Council and National Vocational Educational Qualifications Framework to meet the future professional needs of the society.⁷

The concept of entrepreneurship is innovative to the Indian education discourse. Nonetheless, it can be argued that some of its aspects have been visible in Indian education for a reasonable span of time. Mahatma Gandhi had visualised the education as a means of developing the nation’s perception to injustice, violence and inequality deep-rooted in the social order. With ‘basic education’, which came to be later known as nai talim/buniyadi shiksha, Gandhi ji stressed over the need to place ‘productive work’ fundamental to education as a resource for socialising the child in a transformative visualization of society.⁸

Entrepreneurship education in an educational setting recognises that youths are the assorted group with assorted qualities, talents, motivations and learning objectives. It

clearly focuses on developing, understanding and capability for hunt of entrepreneurial behaviours, attributes and skills in extensively diverse contexts which can be practiced, developed and learned over a period of time. Personal attributes like creativity and spirit of innovation can be useful to everybody in their responsibilities and survival. Entrepreneurship education supports the school-to-work for change. It shows learners that there are different course to the future and different choices based on actions and values.⁹ It also helps to balance out the inequalities in educational achievement and securing pathways after school, predominantly for girls and children belonging to deprived communities. The benefits of entrepreneurship education widen ahead of the formation of new ventures. The benefits make learners alert of the possibilities and opportunities by developing in them a positive and favourable outlook. It makes them aware of that change which brings opportunities to those who have an entrepreneurial outlook and encourages them spot their strengths and weaknesses.¹⁰

However the entrepreneurship education is measured as one of the most leading forces that establish the health of the economy. Therefore, ignore controversies on whether entrepreneurship can be taught the majority of the top business schools in India proffer entrepreneurship education with tailored elective courses to inculcate a wide range of skills encompassing a multi-disciplinary approach among mature management students. However, considering the fundamental synergies of core management subjects such as marketing and entrepreneurship, both of these provide an opportunity to develop exclusive solutions to please customer needs, the study of entrepreneurial aspects as a requirement for management education and research seems obligatory when specifically catering to the growing entrepreneurial intent in developing economies. This approach necessitates an essential commencement of entrepreneurship courses early in the curriculum of modern business schools. In this perspective, the present paper tries to qualitatively re-evaluate the current entrepreneurship education system in India to recommend an efficient ecosystem for integrating and promoting entrepreneurship education as primary to conventional business education in India.¹¹

Certainly, entrepreneurship education truly earned a global status for itself, given that it now pursued with equal passion even in the developing countries (Arthur et al., 2012). Having established the idea of entrepreneurship as fundamental to business education and its synergies with the core curricula, it becomes crucial to look into the reality of how entrepreneurship is taught distinctively in an emerging economy like India.¹²

India has a revolutionary grade among developing countries for its early commencement on a range of entrepreneurship education programs. For the most part, entrepreneurship education in post-independence India has been focused on measures designed to encourage self-employment and founding of Small and Medium Enterprises (SMEs). The Industrial Policy Resolution of 1956 has a very strong prominence on the SME sector.¹³ As the economy conversion from being chiefly agrarian into one that has significant contribution from other sectors, it was considered that the most serious requirement from education was that it would enable need-based entrepreneurs to make forays into the emerging sectors. Subsequently, in the 1960s and 70s, entrepreneurship education was about entirely delivered in the form of training programs, offered by institutions under the guidance of State and Central Governments and by financial institutions which received the support from the Government.¹⁴

Education is an imperative factor for determining the entrepreneurial direction in individuals. Basically education is in the form of informal or formal, the informal form of learning stresses the significance of early role models and corroboration patterns on the acquisition and maintenance of entrepreneurial behaviour. The role models could be parents or peer groups which provides socialization training in entrepreneurship. Formal education is also positively simultaneous with entrepreneurship. It has also been reported that entrepreneurs of healthy units, on an average, had a higher level of education compared to those who own sick units.¹⁵

Current Scenario of Entrepreneurship in India:

Entrepreneurship is a key driver in economic engine and growth as it has an immense potential to generate employment opportunities. Currently more than 100

different departments of various universities of our country offer different level of courses of entrepreneurship. According to the National Policy for Skill Development and Entrepreneurship, the new entrants or aspirators which needs to be vocationally skilled with and without technology for entrepreneurship is 119.5 in millions (2015 – 2022).¹⁶

India's higher education system generated a larger number of graduates, post graduates every year but the economy does not allow absorbing those graduates. It resulted in educated unemployment. In the last two decades entrepreneurship education has grown swiftly which is reflected in organizing the national and international business plan competition like boot-camps, start up grinds, immersion camps, new entrepreneurship curricula and program.

The education system is now focused in this direction as well. Business and entrepreneurial development has been listed as one of the major subject and activity areas of numerous Universities. Few traditional education institutes had tied-ups with the corporate to generate resourcefulness for commercially viable ventures.¹⁷

The main objective of India is to achieve requisite GDP for economic growth. This is only possible by increasing the number of sustainable ventures with ability to export substantially. Economic reforms after liberalization in 1991 made India among one of the leading economies in the world. Entrepreneurship is considered as an instrument and developmental tool for economic growth. Developing the culture of entrepreneurship has become now as the main focus area for Government, policy makers and the society. Government is promoting culture of Innovation and creation of new venture for the economic growth. New venture creation with advanced technology is the result of excellent human skill and availability of resources.¹⁸

Those from non-business communities lacked the vital eco-system for creating a start up. Education, particularly technical education, drew them as a means for joining 'service' and pursuing a rising career which they considered superior to dhandha. The two professions ran their own divergent paths with their own benchmarks for success. So from the surnames, chances were, you could determine that Birla was, and Bhattacharya was not, in business. However, the emergence of

technology as the key driver of a venture and the consequent necessity of professional education for new venture creation has forever botched up the age old divergence in mindset.¹⁹

New generation entrepreneurs do not build ventures for life-long association. They are reconciled for winding up the funding which dries up to their own venture for business and personal reasons. The significance of the conventional businesses was based on hard assets, whereas the value of new age ventures are based on intangible valuation which cannot be mortgaged but can be negotiated for equity capital.²⁰

Conclusion and Recommendations:

The country's economic policy surroundings must be complimentary for organizations to attain efficiencies in today's global world. It should facilitate the entrepreneurs to offer a miraculous touch to the organization, whether in public or private or joint sector, in achieving speed, innovativeness, flexibility and a strong sense of independence. They would bring a new vision to the forefront of the economic growth of a country. The study of entrepreneurship has its significance today not only because it helps entrepreneurs better to accomplish their personal needs but because of the economic contribution of the new ventures. More than increasing national income by creating new jobs, entrepreneurship acts as a positive force in economic growth by allocating as the bridge between innovation and market place.

In developing economies like India, there is an urgent need for the development and promotion of effective home-grown entrepreneurship based education systems. Though entrepreneurship is a practice-driven subject matter, the need to supplement it with contemporary theoretical knowledge is of paramount importance. Furthermore, the synergies of entrepreneurship as a meadow of study with other primary business management courses, for example marketing require a framework for developing entrepreneurship as a core course for students of business management to make sure an integrated learning stage. The need to develop such a course with the rationale of introducing this platform at groundwork levels becomes very vital under such circumstances. A framework for building this effective

entrepreneurship education ecosystem is certainly the need of the people and it requires a greater spotlight on knowledge configuration to shore up the framework.

There is also a need to boost Business Incubation Centres for entrepreneurship development or may be TBIs by scrupulously exploring policy formulations and options to perk up access to financing. The valuable work is being done by Indian incubators, there is scope for product commercialization and to become entrepreneurial themselves by taking services of money lenders, market data, help in preparing business models, recruiting skilled employees, etc. By mounting the pool of skilled people is an also the main concern. This entirely depends upon admittance and availability to quality education system and its implementation. The major challenges in higher education related for ensuring affordability, access, inclusiveness and excellence should be taken care of.

In Vocational Education and Training (VET), there is needed to change overall Scenario and also to modernize current institutions. The practices with reforms in curriculum structures along with recent technology are also need of the hour in our country. Reforms in VET also required pioneering delivery models within a class room, out of class room and also in laboratories. Providing financial aid, incentives for states is to make sure performance based training and assessment. Project based methodology for training, rebranding, certification, encouraging learning by doing English speaking skills and ensuring flexibility of VET are the skills all along with the higher education system. It is for easier overlap and choice. Economic liberalization has been a key channel to persuade entrepreneurial culture. There are various initiatives at the central and state levels which aim to advance the system of entrepreneurship.

Students would become highly motivated and betrothed by constructing significance to other people based on the knowledge they get hold of, and this can fuel profound learning and demonstrate the practical relevancy of the knowledge in question. Such an approach has far-reaching implications on how to plan, execute and assess entrepreneurship in education, and they will be discussed in this paper.

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