

INNOVATIVE APPROACHES FOR PROMOTING ENTREPRENEURSHIP

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Abstract

The budgetary allocation towards development of multi skill development center reinforce the government's commitment to the skill India mission. A lot of positive developments have taken place to the Indian economy during the last two years; many of these developments have gone unnoticed because of the tepid global growth particularly in some of the advanced economies in Europe and in China. The Indian economy might not be growing to its full potential as yet but none can deny the fact that a derailed economy during the last few years has been put back on rails.

Keywords: Innovation, Indian Economy, Positive Development, Entrepreneurship

Introduction

The 2016 Union Budget is different in approach and thrust for transforming India. Since liberation in 1991 nobody has seen a budget that is farm, rural and people centric. It makes a new start with nine pillars and ample measures to boost growth and employment. The budget is oriented to the youth and creation of jobs and entrepreneurship, the budget opens up FDI for farming and food sector. It has proposed to allow 100 percent FDI in marketing food products the government says it would create vast employment opportunities.

The budgetary allocation towards development of multi skill development center reinforce the government's commitment to the skill India mission, it has imparted training to 76 lakhs youth. [1]

A lot of positive developments have taken place to the Indian economy during the last two years; many of these developments have gone unnoticed because of the tepid global growth particularly in some of the advanced economies in Europe and in China. The Indian economy might not be growing to its full potential as yet but none can deny the fact that a derailed economy during the last few years has been put back on rails.

The economic slowdown has bottomed out and the economy is on revival mode and surging towards high 8 to 10 percent annual growth in the coming years. India's GDP grew by 7.6 percent

in 2015-16 and 7.2 percent in 2014-15 making the country fastest growing economy in the world [2]

What is Entrepreneurship?

Entrepreneurship is the willingness to take risk, develop, organize and manage a business venture in a competitive global marketplace that is constantly evolving. An entrepreneur team is a group of people that help and spread out the risk of new ventures and also bring in different talents and skills set to it, a friend who majored in marketing and who majored in Accountancy, may come along with him and bring their skills and cash to build the right team, he can create a synergy where the group can achieve more together than they can apart.

Characteristic of Entrepreneurship

- ✓ Risk-taking
- ✓ Creativity
- ✓ Initiative
- ✓ Independence

This paper draws together knowledge from variety of fields to propose that innovation can be viewed as a form of organizational capability, excellent companies invest and nurture this capability, from which they execute effective innovation process leading to innovations in a new product, services, process and superior business performance result.

Some of the major objectives of Entrepreneurship Development Program (EDPs) are: -

1. To create awareness about entrepreneurship and inculcate entrepreneurial values in the society.
2. To orient and motivate people to think in terms of entrepreneurship as an alternative career path.

There could be three major stages of training intervention for promoting entrepreneurship are *pre start-up stage, Start-up stage, survival and growth stage*. Accordingly, all the entrepreneurship Development related interventions could be classified into following three categories:-

1. Entrepreneurship orientation program (EOPs) and Entrepreneurship awareness Program (EAPs)
 2. New enterprise creation program (NEC)
 3. Existing entrepreneur program for small business survival and growth (EEP)
- (EOPs) mostly focus on general information about entrepreneurship so that the participants may start thinking in terms of taking up entrepreneurship as a career these programs are through ITI, Polytechnics, graduate colleges and university level program. (EAPs) normally refer to short term courses, for generating interest in

entrepreneurship, as a career among participant who come from outside the education system, but are willing to do something which makes them their own masters.

(NEC) program is a comprehensive training package evolved to develop competencies in trainees which would lead to self-employment.

(EEP) are addressed to existing entrepreneur who are interested in survival and growth of the enterprise these program fulfills specific needs of the client, in different sectors.[3]

Innovative Approaches for promoting Entrepreneurship

Some of the effective approaches for the promotion of entrepreneurship launched by Prime Minister Shri Narendra Modi are as follows: -

Make in India Approach

The “**key challenges**” is to make India the easiest and simplest place to do business, a goal which the government is determined to achieve. There is a need to push for greater momentum to domestic companies in India. Make in India campaign was aimed at changing the mindset of the people to tap their entrepreneurship potential. Prime Minister Mr. Narendra Modi launched the “**Make in India**” campaign on **September 25 2014** aimed at reviving the job creating manufacturing sector, The Make in India Initiative will push the country’s manufacturing from the present 16% to 25% of GDP in the next 5-10 years.

Our present Prime Minister had invited global companies to set up manufacturing units in India to supply to rest of the world, the objective set out for Make in India is to take manufacturing growth on a sustainable basis to 10 percent over the long term, Make in India ‘s proceeding in mission mode as India clearly appears to be the land of opportunities, the government has said that it has so far received Rs. 1.10 lakh crore worth of proposals from various companies that are interested in manufacturing electronics in India. Companies like Xiaomi, Huawei have already set up manufacturing units in India while iphone, ipad manufacturer Foxconn is expected to open a manufacturing unit soon. Recently, Lenovo also announced that it has

started manufacturing Motorola smartphones in a plant near Chennai.

Major Policy Initiative under Make in India:

New Initiative:

This Initiative is to improve the ease of doing business in India, which includes increasing the speed with which protocols are met with, and increasing transparency, what the government has already rolled out: -

- Environment clearance can be sought online
- All Income tax return can be filled on line
- Validity of industrial license is extended to three years
- Paper registers are replaced by electronic registers by businessman
- Approval of the head of the department is necessary to undertake an inspection

Foreign Direct Investment (FDI)

The government has allowed 100 percent FDI in all the sectors except space (74 percent) Defense (49 percent) and News Media (26 percent), while the FDI limit in defense sector has been raised from the earlier 26 percent to 49 percent currently.

Intellectual Property Rights (IPRs)

The government has decided to improve and protect the Intellectual Property Rights of innovators and creators by up grading in fracture, and using state-of-the-art technology.

The main aim of IPRs is to establish a vibrant intellectual property regime in the country.

Types of various IPRs

- **Patent:-** A patent is granted to a new product in the industry.
- **Design:-** It refers to the shape, configuration, pattern, color of the article.
- **Trade mark:-** A design, label, heading, sign, word, letter, number, emblem, picture which is the representation of the goods or services.
- **Geographical Indications:-** It is the indication that identifies the region or the country where the goods are manufactured.
- **Copyright:-** A right given to creators of literary, dramatic, musical, and artistic works.
- **Plant variety Protection:-** Protection granted for plant

varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants.

- **Semiconductor Integrated circuits Layout-Design:-** The aim of the Semiconductor Integrated circuits Layout-Design Act 2000 is to provide protection of IPRs in the area of Semiconductor.[4]

National Manufacturing

The vision includes:-

1. To increase manufacturing sector growth to 12-14 percent per annum over the medium term.
2. To increase the share of manufacturing in the country’s gross domestic products from 16 to 25 percent by 2022
3. To create 100 million additional jobs by 2022 in manufacturing sector
4. To create appropriate skill sets among rural migrants and the urban poor for inclusive growth
5. To increase the domestic value addition and technological depth in manufacturing
6. To enhance the global competitiveness of the Indian Manufacturing sector
7. To ensure sustainability of growth, particularly with regards to environment.

The Make in India policy clearly meets most of the aspirations of a young entrepreneur. The new de-licensing and deregulation measures will surely reduce complexity and significantly increases speed and transparency. The digitalization of the procedure will make everything hassles free.

Skill India

More than 1.04 crore youth have been trained under the Skill India Mission in the year 2015-16 which is 36.8 % higher than the previous year’s recorded data. Presently, 60 percent of the trainings are directly under **Ministry of Skill Development and Entrepreneurship** while 40 percent are across other Central Ministries. **Pradhan Mantari Kaushal Vikas Yojana (PMKVY)** which was launched on **July 15 2015** by the Prime Minister Shri Narendra Modi, alone has witnessed more than 20 lakhs people of which 40% are women candidate, being trained in their choice of skills.

In the last two years, the skill training and development ecosystem has been

transformational change through concentrated efforts in terms of initiatives such as PMKVY, new ITIs with private industry/industry partnership, infusion of new ideas and finance through World Bank assistance a paradigm shift in entrepreneurship education and development, amendment in Apprenticeship Act for increasing opportunities for the youth etc. These have for the first time, brought in a new focus to skill development in the country.

Government Initiatives for Skill India

According to Union Minister of State for skill development and entrepreneurship **Mr. Rajeev Pratap Rudy** there has been a consistent effort on coordination and convergence of innumerable schemes run by various ministries and departments across sectors and states so as to bring them in conformity with the National Standard. Today there are more than 1500 courses that have been aligned to National Skill Qualification Framework (NSQF) Mr. Rudy further mentioned that provision of skilled workforce is a pre-requisite for a growing economy and success of various other initiative of the government such as Make in India, Digital India, Smart cities, Rapid Highway constructions, and his ministry is ensuring endeavors in this direction, he further added that there have been MOUs with central ministries which also includes Railways, Defense, Health, Telecom, Power, Coal to leverage existing infrastructure and opportunities for skill development across sectors.[5]

He added that 52 skill centers in railways premises have been identified of which 12 are already operational. The Ministry has also created a new model for skilling of retiring defense personnel to meet the trainers demand in the ecosystem has successfully completed a pilot with 56 IAF officers and provided them with training and placement letters.

Following are the achievements in the last two years; -

- Number of it is in the country has increased from 10,750 in May 2014 to over 13,105 in May 2016 and these will be further scale up to 18000 by September this year.
- 1141 number of new center have been added and 1.73 seats have been increased in the last one year.

- Ministry of Skill Development and Entrepreneurship (MSDE) have enabled the opening up of five new RVITs for women in skill development.
- Ministry is working towards the establishment of one Model Skill Centre in each district of the country, which would be operational in more than 500 districts by March 2017, these will be high quality centers which will help make skill development aspirational and accessible.
- The Ministry of skill development and Entrepreneurship is aiming extensive modernization of the existing ITI eco system and establishment of new ITIs and Multi Skill Training Institute (MSTIs) so that more and more people get skills of recognized standards which will help them become more employable for the industries.
- MSTIs will be set up in the unserved areas/blocks to improve the outreach of the skill India Initiative.
- Ministry is working towards the establishment of one **Model Skill Center** in each district of the country, which would be operational in more than 500 districts by March 2017 these would be high quality centers which will help make skill development aspirational and accessible.
- Not only Government sectors but in private sectors too skill ecosystem catalyzed by National Skill Development Corporation (NSDC) 11 new sector skill councils have been added making it to 40 sectors now and an additional of 151 training partners in the ecosystem making the total to **267** partners.

The formation of the proposed **National Skill Certification Board** will result into a new era of training, assessment and certification where both government and industry will collectively enable a joint frame work for quality skill training and certification.

Union minister of State for skill development and Entrepreneurship emphasized the need for promoting Entrepreneurship in the light of **Stand up India and Start up India** announced by the government, he further said that his ministry will work to deliver Entrepreneurship Education

and Training in **2200 colleges, 300 schools 500 government ITIs and 50 vocational training centers**, aspiring entrepreneurs will be connected to mentors and credit markets **till date 4,82,079** entrepreneurs training have been done by National Institute for Entrepreneurship and small business development (NIESBUD) 83 percent of these have been trained through digitized entrepreneurship orientation programs.

Digital India

Digital India is aimed at Utilizing India's prowess in Information Technology and software to make India easy place to do business and improve governance and reduce corruption by digitalizing most of the government operations. India's service sector accounted for nearly 60 percent of GDP and it is among the leaders in IT and IT enabled services.

Various factors are responsible which initiated the need for digitalization in the economy as the people of lower income group, illiterates, those who are not updated by the latest upcoming projects of the governments, their benefits, rights and various other schemes of the government, were being harassed by the middleman in the society, so the ultimate purpose of the government to serve the deserving people was overlooked, so digital India will go a long way in improving the lot of rural India and farmers as exploitation by the middleman will get phased out with implementation of **Jan Dhan Yojana** and the decision on payment of cooking gas subsidy directly into the bank account of consumers has helped the government save Rs. 21,000 crore in the last two financial years by eliminating duplicate connections and diversions.

This is also a step towards digitalization of governance in India, which is expected to reduce human interface, thereby improving governance in all spheres of activities. Tax administration has been greatly digitalized, money transfers have got digitalized with implementation of Jan Dhan Yojana, Aadhar and mobile, the government has also promoted Green Energy in a big way, up to 100 percent foreign direct investment(FDI) is allowed under automatic route for power generation from renewables a schemes "**Prakash Path**"- way to light, was launched by

the prime minister under which energy efficient Light emitting diode bulbs will be distributed for domestic efficient lighting program in Delhi.

Foreign Direct Investment (FDI)

India aspires to be among the super powers of the world by 2050 and has a unique strength of **3 Ds** Demand, Demography and Democracy as mentioned by our Hon'ble Prime Minister. Being among the youngest nation of the world and among the largest emerging markets, India is a land of opportunities for citizens and the world alike. To optimize on these strength of India it is important to create an employment generating model of growth.

Foreign Direct Investment (FDI) compliments domestic investments and fills the gap between resources available and required domestically; it not only brings capital but also transfers technology, organizational and other skills to the country. The government is progressively opening sectors/industries for FDI and increasing the limit of FDI in existing sectors. A transparent, predictable and easily comprehensible FDI policy is put in place.

FDI policy list sectors where FDI is prohibited and also the sectors where FDI is permitted subject to investment limits, entry routes and other conditions. Recently, measures taken to promote FDI inflow include FDI policy reforms, measures taken to create ease of doing business and building world class infrastructure in the country, in order to promote FDI which would result in increase of entrepreneurship development.

Start Ups

Startup capital refers to the money that is required to start a new business, whether for office space, permits, licenses, inventory products development and manufacturing, marketing or any other expenses. Startup capital is also known as **“seed money”**

Definition of Start-up

A strong point of the Action Plan is a clear definition of what a start-up is. The documents says “an entity incorporated or registered in India not prior to five years, with annual turnover

not exceeding Rs.25 crore in any preceding financial year, and working towards innovation, development, deployment, or commercialization of new products, process or services driven by technology or intellectual property” Thus it makes clear that a start-up should have something new to offer by way of product or service.

Prime Minister Shri. Narendra Modi had announced the **“Start-up India”** Initiative. This initiative aimed at fostering entrepreneurship and promoting innovations by creating an ecosystem that was conducive for growth of Start-ups. The objective was that India must become a nation of job creators instead of being a nation of job seekers. This initiative was formerly launched in January, 2016 Government of India had organized a global workshop on “Innovation and start-ups” on the launch event with a view to provide a platform to bring together all stakeholders, stimulate dialogue on key challenges that the Indian innovations ecosystem faced, and provide the potential solutions to address those issues. Government of India's commitment in making India the hub of innovation, design and Start-ups on the launch event with a view to provide a platform to bring together all stakeholders, stimulate dialogue on key challenges that the Indian innovation eco system faced, and provide the potential solutions to address those issues.

In a push to the government's startup India campaign, the union cabinet has recently approved Rs.10, 000 crore Fund of Funds for startup to support them with an aim to generate employment for 18 lakh persons. The cabinet has approved the establishment of **“Funds of Funds”** for startups at Small Industries Development bank of India (SIDBI) for contribution to various alternative Investment Funds (AIF) registered with Sebi which would extend funding support to startups, the statement added “This would provide a stable and predictable source of funding for startup enterprises and thereby facilitate large scale job creation”

According to SIDBI Chairman and Managing Director Kshatrapati Shivaji centre approving Rs.10,000 crore ‘Fund of Fund for Startups’ the small Industries development banks of India (SIDBI) has ramped up the startup funding operation to boost ‘Start-up

India’ initiative with the launch of funds like unique India Aspiration Fund and Fund of Funds operations.

Government has made Start-ups easy for people to follow in some of the simplified steps which leads to Certification, Ease of procedures, Registration, self-certification compliance, IPRs Public procurements, Exit process, Funding, Exemption from Capital gains tax, exemption from Income-tax, Start-up Fests, Innovation and self-employment, Incubators, World Class incubators, Biotechnology sector, Scientific research.

Thus, to conclude this topic we can say that in the present scenario government is taking various efforts globally in order to enhance the individual for the promotion of entrepreneurship development.

The most assuring among the government announcement was the Prime Minister's speech which is sure to galvanize the start-up movement. He said those wanting to launch their own startups were not driven by money motive but had a desire to bring about a change. It was this spirit of adventure that the society had to respond to, he said. The country would welcome a startup even if it created five jobs only, be it related to agriculture, medical technology, handicraft sector, and not necessarily IT, he said.

The objective should be to solve the problem; the subject of business should not bother an entrepreneur, according to the Prime Minister. Here are some of the latest examples of people who have realized entrepreneurship is a boon to the society, they can turn the history upside down, through entrepreneurship, that sky is the limit for those who work hard in achieving their goals of life through various approaches of entrepreneurship: -

Mr. Nitin Saluja's

In the final year of college in 2006, Nitin was pretty sure that he didn't want to get into a dull job routine. He got along with a few friends and started a robotics company, gradually he started realizing that this is not his cup of tea luckily he was introduced to his friend Raghav Verma and the two hit it off straight away and formed The tagline of **“Chaayos”** reads experimenting with chai and it reflects when you look at their menu where you'll find teas like

“aam papad chai” rose cardamom chai launched in November 2012 **Chaayos** currently has eight outlets in NCR and is now planning to expand to Mumbai and Bangalore. Chai was always a crucial part of NITIN Saluja’s life but he had never thought of opening a chai outlet especially not after getting through IIT – Bombay! But life always has interesting cards to deal out; one only needs to be open to possibilities, **Chaayos** which has presently 440 employees in the enterprise.[6]

Aakanksha Bhargava

People still associate moving with non-professionals walking in their house with un hygienic & tacky look with no sense of responsibility, they feel scare and troubled this gave her an idea to get into the business of P.M Relocations-is a Small-Medium Enterprise is a one stop solution for mobility needs with respect to any body relocating within India or overseas As they don’t just move belongings but lives and sentiments! [7]
Amit Tyagi

Bengaluru based Startup, “It’s My Time” is an exclusive platform for buying and selling pre-owned luxury

Swiss watches. The mission is to be India’s best platform for Pre-owned luxury watches as well as the most sought after portal for new luxury collection too. This company had recently launched its portal www.itsmytime.co.in. This platform will make covetable timepieces accessible to all connoisseurs of luxury in India. Authenticity and impeccable quality of all products on sale are a promise on its part. The uniqueness lies in the fact that in our pre owned section, we offer the best of the brands at very good prices and in our new collections we are offering the best brands, which are only with us in India. [8]

Last but not the least would conclude that in spite of so many permutations combinations made by the government and private companies as well, various facilities given by the different departments in order to ensure comfortable and easy methodology for the upcoming new entrepreneurs so that they might take interest in the startup of the projects, we are unable to design a formula for developing entrepreneur, it is yet to be tailored to suit the target group.

Thus the approach should be flexible enough to accommodate the necessary changes.

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