

Entrepreneurship Development in India - Role of Educational Institution

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Abstract

The paper is an attempt to identify the role played by educational institutions in promoting entrepreneurship. Educational institutions create the foundation of any nation and hence the budding citizens need to be educated and inculcated with the concepts of entrepreneurship. Educational institutions are the platform which will help the budding entrepreneurs not only to learn the basic concepts and principles of entrepreneurship but also to connect them with various experienced mentors who can hold hand and support at various phases of entrepreneurship process. Education institution through their practical oriented curriculum extended support through incubators and initiative towards implementing government initiatives towards entrepreneurship can contribute more towards developing entrepreneurial ecosystem.

Index terms- Entrepreneurship development, educational institution

I. INTRODUCTION

The word entrepreneur is derived from the French word 'entreprendre' it means "to undertake" and literal translation means "between-taker" or "go-between". Entrepreneur is an individual who takes risk and starts something new. Enterprise is the business/Venture. Entrepreneurship is the process of creating something new with value of devoting the necessary time and effort, assuming the accompanying financial, psychic and social risk and receiving the resulting rewards of monetary and personal satisfaction and independence. The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. In economics, entrepreneurship combined with land, labour, natural resources and capital can produce profit. Entrepreneurial 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 marketplace. Entrepreneurship is a kind of behaviour which includes initiative taking, organizing and reorganizing of social and economic mechanisms to turn resources and situations to practical account and acceptance of risk or failure. Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources efficiently and effectively. According to Mc Clelland, entrepreneurship is doing things in a new and better way and decision making under the condition of uncertainty. According to Joseph A Schumpeter Entrepreneur is one who innovates and introduces something new in the economy. According to ILO Entrepreneurs are the people who can see and evaluate business opportunities. together with the necessary resources to take advantages of them and intimate appropriate action to ensure success. Pickle & Abrahamson (1990) introduced entrepreneur as "A person who organizes and manages a business undertaking, assuming the risk, for the sake of profit. The entrepreneur evaluates perceived opportunities and strives to make the decisions that will enable the firm to realize sustained growth. From the viewpoint of growth-oriented innovative companies, one of the best definitions of entrepreneurship is given by Ronstadt (1984) "Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity time and career commitment to provide value for some product or service. The product or service may or may not be new or unique but value must somehow be infused by the entrepreneur by receiving and allocating the necessary skills and resources." Entrepreneurship is the important process in economic progress as it includes identifying, assessing and exploiting business opportunities, creating new firms and/or renewing existing ones by making them more dynamic; and driving the economy forward through innovation, competence, job creation and by generally improving the wellbeing of society. Entrepreneurship development (ED) refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. It basically aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generation and economic development. Entrepreneurship development (ED) refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. It basically aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generation and economic development. Entrepreneurship development focuses on the individual who wishes to start or expand a business. It helps aspiring entrepreneurs to recognize and design unique, innovative business opportunities, based on an analysis of local conditions and their own special skills. The programme can help the entrepreneur to diversify based on his/her basic knowledge of a product or skill in a certain sector without distorting the local markets. Entrepreneurial development programmes have to include support for; Entrepreneurship orientation and awareness.

Development of the competencies (skills, experience and attitudes) necessary to recognize a market opportunity and organize the resources to meet it. Improvement of business performance for growth and competitiveness. Entrepreneurship is very important for any nation specially developing country like India it provides larger employment opportunity, results in wider distribution of wealth, mobilizes local resources, skills and savings, accelerates the pace of economic development stimulates innovation. In 1991 economic liberalization in India revolutionized businesses completely. It led India to a growth trajectory that transformed India from struggling economy to one of the best economy in the world. The credit goes to the entrepreneur who has created value and generated millions of the jobs. there is a very good opportunity for entrepreneur in India to take the entrepreneurial route. Develop economy saturate, emerging market will be place where world will do business. In addition to that government also provide lot of support for aspirant entrepreneurs. Some of the prominent names of organization which extend helping hands towards entrepreneur for mentoring and networking opportunities in India are listed below-

- The Indus entrepreneur
- CIIE(center for innovation ,incubation and entrepreneurship)
- Incubation centers at IIM
- NEN
- Entrepreneurship Development Institute of India

Educational institutes plays a significant role in promoting entrepreneurship. They are the nurseries where the students are to shape their careers. It is important to inculcate the concept of entrepreneurship among the budding future of nation , as well as educate them with various supporting wings available to mentor them in the process of starting a venture .Entrepreneurship is important for the growth and development of the nation .They create jobs for themselves and for others. In India, the role of higher education institutions is undergoing a fundamental change to encourage and support young entrepreneurs.

II .LITERATURE REVIEW

Bechard and Toulouse (1991) proposed a framework for the educational sciences to contrast four educative orientations. Three of these adaptive, conformist and transformative, are pedagogical approaches which focus on content of the course. The alternative orientation emphasises on Process. The pedagogical model is the dominant model in entrepreneurship courses and recommend a transition to the alternative orientation. Hood and Young (1993) develop a theoretical framework comprising of four primary areas where successful entrepreneurs must be developed. The areas are content, skills and behaviour, mentality, and personality.

Ivancevich (1991), Ronstadt (1987), Mc Mullan and Long (1987), Plaschka and Welsh (1990) discuss the emergence of entrepreneurship as an academic discipline and its role within the traditional business school structure. Each highlights the growing body of entrepreneurship literature and systematic theories necessary for recognition as an established discipline. Gorman, Hanlon & King (1997) confirm "that entrepreneurial attributes can be positively influenced by educational programs and many entrepreneurship programs and courses are able to build awareness about entrepreneurship as a career option and encouraged favourable attitudes toward entrepreneurship". Moreover, entrepreneurship education promotes entrepreneurial attitudes and mindsets through focusing on informal institutions. (Toledano & Urbano, 2008). The traditional education system prevailing in India lacks the spirit of innovation and does not provide adequate scope for entrepreneurship. Therefore there is a need to reevaluate and redesign the course curriculum of various educational institutes including primary schools so that motivation and awareness about entrepreneurship can be provided at a very beginning stage of individual's development and immense opportunities for creativity and innovation can be inculcated. The educational institutes should design the curriculum such that they have the scope of creativity and innovation. A broad understanding of entrepreneurship should be the strategic objective of the university, and there should be top-down support for it.(Indresh Sharma). Different streams in our higher educational system plays different roles in flourishing entrepreneurship , Technical education helps in upskilling students on various branch specific parameters like civil in infrastructure , mechanical and production in machine designing , computer and It in developing software .Commerce education plays significant role in equipping entrepreneurs with the emerging trends of commerce expertise to countenance the confront of vibrant business worldwide. Globalization and liberalization of economy with privatization and technological mutiny have posed the most extraordinary challenges against the commerce education. (Prakashraj P Kumavat). 28% of Indian population comprises of 10 to 24 years, so India is a hub of youth populations and providers of education, educational institutions are well suited to delivering both training and opportunities to students and encouraging young people to pursue entrepreneurship as a career. The opportunity is timely, in part because many students are still unclear about the future course of their careers, but also because entrepreneurial intentions tend to decrease with age (Badal & Srinivasan, 2011.). As emphasized in the GALLUP-HOPE Index, this context means "it is that much more important to nurture and engage student's entrepreneurial spirit early so they are prepared to start a business or invent something that changes the world" (GALLUP, 2013). The National Policy on Skill Development and Entrepreneurship (MSDE, 2015), the government is relying heavily on higher education institutions to roll out programs and schemes for promoting entrepreneurship in the country. Also, the Finance Ministry is investing in venture capitalist funds to meet the equity requirements of start-ups and has set up an India Aspiration Fund to support the entrepreneurial ecosystem. B-Schools have a significant role to play in the growth of India as a nation because they are the breeding grounds for future entrepreneurs. They have the potential to develop not only winning

personal qualities but also provide an opportunity to create employment for self and for others. Entrepreneurship, self-employment and enterprise creation provide a solution to the crises of both unemployment and under-employment. (Anis ur Rehman, Dr. Yasir Arafat Elahi,2012).

III. RESULT AND DISCUSSION

Education needs to develop entrepreneurial skills required to generate an entrepreneurial mindset to prepare future leaders for solving more interlinked, complex and fast changing problems. Aim of Entrepreneurship education comprising the following 3 components:

Self-Development: Entrepreneurship education should build capability in individual by motivating, building confidence and strengthen the entrepreneurial mindset, to achieve desired and inspired action.

Venture Development: Role of education institutions is to play vital role in business development. Skill required for development of business like, technical, financial literacy, skill to engage in self-employment & employment in entrepreneurship can be built at institutional level. This would improve the expected business and functional curriculum.

Entrepreneurial Skill Development: Entrepreneurship education should give training in social skills, networking, creative problem solving, opportunity seeking, selling, interviewing, presentations, group leadership, community co-operation, dealing with bureaucracy, local cultural norms and how they affect business, etc.

(Rucha Tandulwadkar)

Changing Curriculum aligning more towards practical learning, exploring market opportunity, improving creativity and innovation. Tie ups with professional bodies Like NEN ,Implementing courses like PM Yuva .The other way to connect higher education institutions with an entrepreneurship ecosystem is to provide real-world training to entrepreneurs is through running an incubator in the sense of a shared facility where a combination of training, mentoring, and infrastructural facilities are offered "under one roof".

Incubation is relatively a new activity within higher education institutions in India, Entrepreneurship education and incubation (including mentoring) are the key areas in which higher education institutions can contribute directly to the quantity and quality of new startups and indirectly to the Indian economy. Entrepreneurship education through these institutions can help in increasing awareness of entrepreneurship as a viable career option and the support received through incubation can help student entrepreneurs overcome hurdles to starting and growing their businesses. In this way, the role of higher education institutions in India goes beyond just teaching and awarding degrees to more broadly influencing the economic development of the country.

Various initiatives to encourage entrepreneurship in educational institutions

Entrepreneurship Development Institute of India (EDII) in coordination with Department of Science & Technology (DST), Government of India, will take up over 2,000 innovative projects in Science & Technology (S&T) over the next three years.

Students from over 40 institutions across India, including the Indian Institute of Technology, Guwahati, SRM Institute of Science and Technology, ITS Engineering College, Indian Institute of Information Technology, will be encouraged to explore the commercial possibility of these projects.

PM Yuva Yojana -Entrepreneurship certification programme directed towards Under graduate and post graduate students .

Atal Incubation Center – Any academic and non-academic institutions will provide a grant-in-aid of upto Rs. 10 crore for a maximum period of 5 years to cover the capital and operational expenditures to establish the AIC.

Other institutions like Wadhvani Foundation work with private, government and government aided institutions in order to promote entrepreneurship they have different certification programmes that helps to understand the concepts of entrepreneurship as well as initiative like entrepreneurship development cell(ED cell). Helping students to built network with experts (already successful entrepreneur) and other college students organising various events to promote creativity and innovation .

Role of B School in developing Entrepreneurship

Some of the prominent B schools with active entrepreneurship development programmes are listed below-

- NS Raghavan Centre for Entrepreneurial Learning – IIM Bangalore This institute carries out international collaboration projects.
- IIM- Calcutta: In IIM Calcutta activities on innovation and entrepreneurship are more practical, driven by students, along with the faculty advisors. This institute holds on of the biggest plan contest in Asia. ideas to implementation with Yale University's Yale Entrepreneurial Society.
- Indian Institute of Science Society for Innovation and Development (SID) at IISC has achieved a notable feat in a project called SUTRA ---sustainable transformation of Rural Areas which uses non edible oils from indigenous neem trees as a substitute for fuel generation. Many ideas are focused on solving the problems of rural poverty since “innovation is getting compassionate too.”
- IIM – Ahmedabad, SPJIMR, Mumbai have modified placement rules to offer “Placement holidays” where students can try their hand at setting up their own venture and should things don't work out, they can come back to the campus for placements within two years of passing out.
- FMS, University of Delhi- MBA in Entrepreneurship
- Christ University, Bangalore- - MBA in Entrepreneurship
- ICFAI Business School, Hyderabad-- MBA in Entrepreneurship
- Symbiosis Institute of Management Study (SIMS), Pune-- MBA in Entrepreneurship

- Amity Business School, Noida-- MBA in Entrepreneurship

Problems Faced By Education Institutions in India:

Since 1960 continuous efforts have been taken by Government. Various policies were formed & implemented by the Indian Government. Education Institution is one of the major instruments for developing entrepreneurship. Unfortunately, the present entrepreneurship education in India just concentrates on curriculum. Where, the entrepreneurship courses are like any other theoretical subjects. But general business management education has no significant influence on entrepreneurial propensity. There is a demand for education programs specifically designed to expand students' knowledge and gives hands on experience in entrepreneurship. The contents and teaching methods must be differentiated between entrepreneurship and traditional business courses. Despite of all these issues educational institutions are facing following important challenges.

- EDP is focused on target based rather on outcome based.
- Non-Availability of Skilled Faculty: The faculties selected for giving training are not sometimes competent enough to give proper training to prospective entrepreneur. Even if competent and qualified teachers available, they are reluctant to serve in rural and backward areas. This creates problem smooth conduct of EDPs.
- Lack of Practical Exposure: There are problems with the contents of the course on entrepreneurship and the way the concepts are introduced to students. Most of the contents are highly academic and lack practical exposure. Entrepreneurship course in the university system is taught by the faculty, who failed to make a real impact on the students to be entrepreneurs.
- No Specific Standard Framework: Due to lack of standard the course contents are not standardized, and the agencies engaged in EDPs are themselves not very clear about the course of action they are supposed to follow. There is no accountability and feedback system for further improvement.
- Poor Follow-Up: Institutions providing EDPs do not show much concern for objective identification and selection of entrepreneurs. No follow-up actions follow EDPs after training.
- Lack of Involvement and Commitment by Corporate Sector: Corporate sectors can play a major role in entrepreneurship development. But it seems that the involvement and commitment of corporate sectors is very low in developing entrepreneurship. They show less concern about it and they lack in providing institutional support.

IV. CONCLUSION

Educational institutions play a prime important role in developing entrepreneurial ecosystem. The concepts of entrepreneurship need to be introduced from primary level to inculcate and motivate the students to become an entrepreneur. Our higher educational system needs to have curriculum designed for entrepreneurship which is more practical oriented. The risk factor related to failure of any venture is another cause of students delima towards starting a venture. Education institution not only need to provide support system through incubators and mentors but also need to extend support to ventures in long run. Government initiatives need to be brought down to grass root level for whom it is directed hence educational institutions need to be well informed about various government initiatives towards entrepreneurship and adequate measure to implement the same. More research need to be encouraged by educational institution for upliftment and development of entrepreneurship.

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