Entrepreneurship and Start-ups management: Strategic and Business diversification model

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Abstract

India has developed a vibrant entrepreneurial landscape and consistently strengthened its position as the 3rd largest start-up ecosystem globally. This is visible in our Food Processing sector and associated ecosystem, which has witnessed a wave of entrepreneurship with disruptive and futuristic ideas, especially in the last five years.

Food startups in our India shown tremendous growth and tech-driven growth across the value-chain, such as supply chain management, e-commerce based B2B & B2C models, processing technologies and equipment, storage and logistics, food safety, packaging, distribution and retail, amongst others. That the collaborations, linkages and partnerships among key stakeholders including start-ups, will help develop scalable future-ready solutions, supported by conducive Government policies. Progressive Government initiatives, such as Startup India, Atal Innovation Mission were playing an important role in fostering the culture of innovation and entrepreneurship in India. The Government has also built a robust alternative investment regime and a friendly tax system for venture capitalists and angel investors, which can improve financial access for start-ups.

Startups in the food processing ecosystem work across the value chain towards creating innovative products, supply chain solutions, packaging, processing technology, equipment, storage and logistics, food safety, marketing, e-commerce based B2B/B2C models, distribution and retail. The Indian Food Startups are now playing a pivotal role in accomplishing this transformation in the sector.

Keywords: India, Food startups, Manufacturing startups, B2B, Opportunity.

The success of any organization depends upon the employer/Entrepreneur experience in terms of choosing best business in one hand strategic development of business on the other. The success of any start-up company or existing company needs to understand the strategic approach towards effective business marketing, productivity and profitability of the business.

Startup India is a flagship initiative of the Government of India, which aims to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities.

The Government through this initiative aims to empower Startups to grow through innovation and design.

Research Methodology

Sample design:

Sample design of any study can depict the vital information about the various aspects such as population of the study, sample units or the sample subjects, framework of the sampling and sample size (120). It explains about the sampling procedure also.

Population of the study:

The entire aggregation of the respondents that meet the designated set of criteria is known as population of the study. In the context of this paper, the study considered the food start-ups and manufacturing start-ups located in Hyderabad as the target population has taken 120 respondents.

Sampling unit:

The sampling unit confirms the samples in various aspects such as, certain geographical locations like a state, district, village, unit etc or in other words it can be a construction unit such as house, flat, family, club or may be individual (Kothari, 2004) considered as a Sampling Unit. The present study had a sample of stratum that are the food start-ups and manufacturing start-ups located in Hyderabad in the state of Telangana, India.

Demographic Details: Respondents

Table: 1 The gender details of sample respondents

Gender	Respondents	Percent
Females	45	38
Males	75	62
Total	**120**	**100**

Source: Data compiled from the field study

Table:1 presents the details of resopndents surveyed during the food startup implementation aspects to understand the startup eco system in India with special referance to the promotion of the young enterpreneurs in India.The details of gender in the sample as considered represents male(62%) and female(38%) respondents have been reviewed with an equal sample size in order to know about the views towards efficiancy and effectiveness of promotion of food startups in India.

Figure:1 The Gender details in the sample respondents

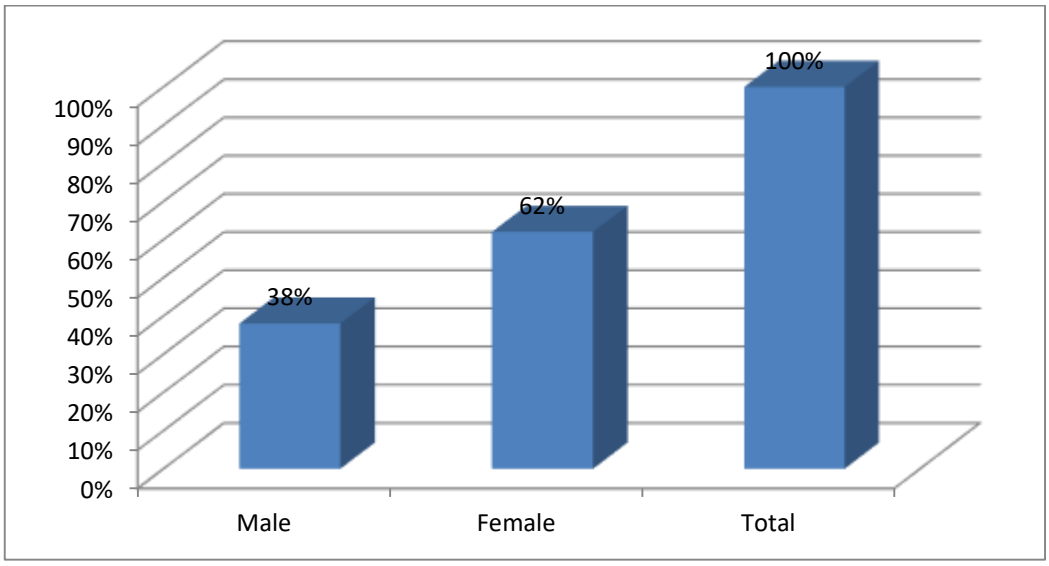


Table: 2 The respondents on the basis of age

Age	Respondents	Percent
Below 25	50	42
26-35	40	33
36-45	25	21
Above 45	05	4
Total	**150**	**100**

Source: Data compiled from the field study

The table 2 reveals that the age details of the respondents considered to assess the performance of the food startups in terms of the food startups Project implementation benefits. The different age groups of respondents have been considered with the 120 sample respondents to know about the efficiancy and effectiveness of food startups. About 50 (42%) respondents were below an age of 25 years, followed by 40 persons (33%) between 26-35 years, 25 persons (21%) between 36-45 years and 5 persons (4%) were above 45 years.

Table: 3 Respondents on the Basis of Educational level

Qualification	**Respondents**	**Percent**
Elementary level	25	21
Degree Level	40	33
Professional level	50	42
Others	05	4
Total	**120**	**100**

Source: Data compiled from the field study

Table:3 revealed the educational details considered to assess the performance of the food startups in terms of the Project implementation benefits performance and success. Among 120 respondents, 40 (33%) were degree holders, followed by 25 (21%) had education upto elementary school level, 50 (42%) had professional level of education and 5 (4%) had educational qualification. The 120 respondents with different types of qualification in the sample were assessed assess the performance of the food startups in terms of the Project implementation benefits.

Figure: 2 Respondents chosen on the Basis of Educational level

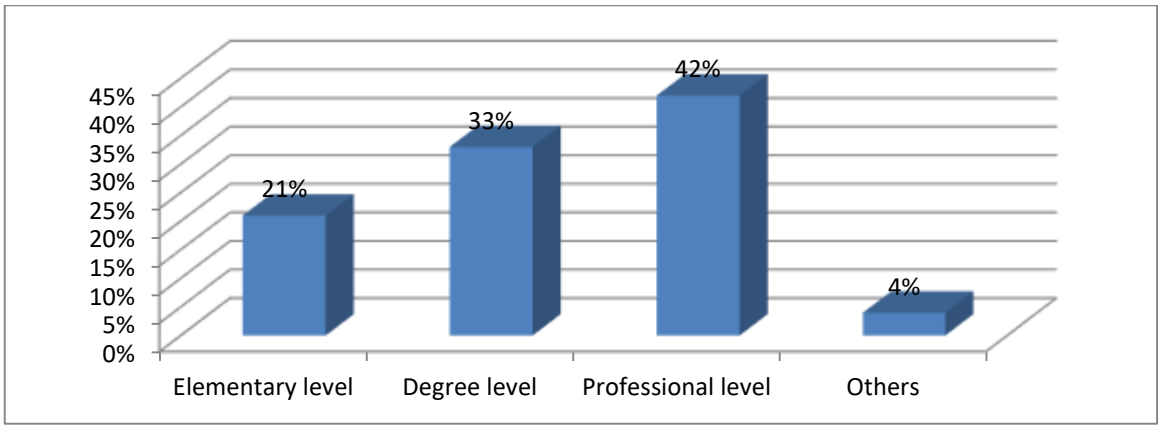


Table: 4 Respondents classified on the basis of occupation

Occupation	Frequency	Percent
Professional	25	21
Self employed	40	33
Salaried	50	42
Others	05	4
Total	**120**	**100**

Source: Data compiled from the field study

Table 4 indicate the occupational details of the respondents considered in the study to assess the performance of the food startups Project implementation benefits performance and sucess. The categories of professionals, self-employed, salaried and other respondents were considered to know about the working of food startups project management systems. Among the 120 respondents having different occupations, 25 (21%) each were found to be under the professional, self employed and salaries categories, while 05 (4%) were under other categories.

Table: 5 Respondents classified on the basis of Annual Income

Income	Frequency	Percent
Less than Rs 50000	40	33
Rs 50000 to 100000	50	42
Rs 100001 to 200000	25	21
Above Rs 200000	05	4
Total	**120**	**100**

Source: Data compiled from the field study

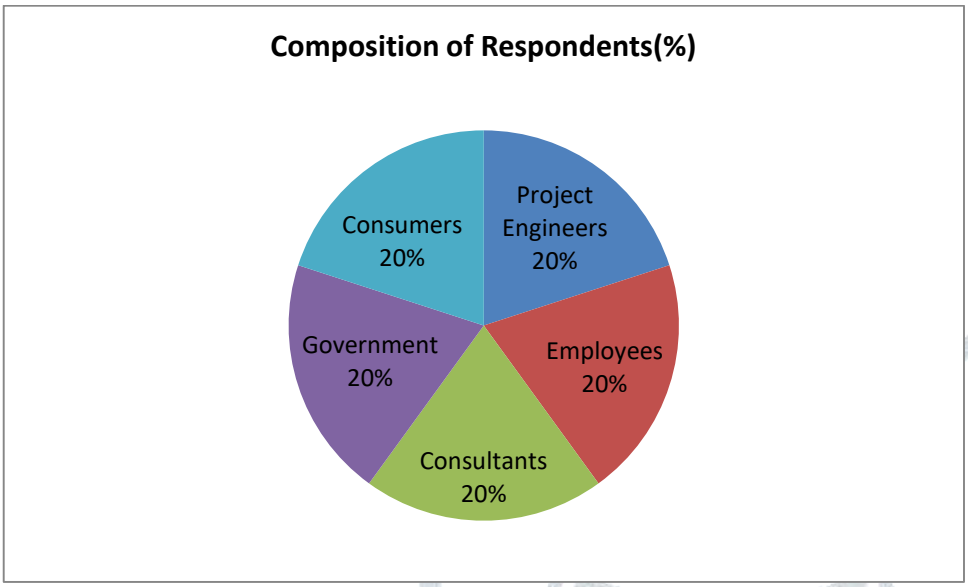
The classification of the 120 sample respondents based on the annual income are given in Table 5. The respondents to assess the performance of the foof startups in terms of the Project implementation benefits. Out of 120 sample respondents, 40 respondents (33%) were having an income of less that Rs.50000 per annum. This was followed by 25respondents (21%) under the group of Rs.100001to Rs.200000 per annum; 50 respondents (42%) under Rs.50001 to Rs.100000 per annum; and 05 respondents (4%) under Rs.200000 per annum group.

Table: 6 Compositions of the Respondents (N120)

Respondents	Percentage
Startup CEOs	20
Employees	20
Consultants	20
Government	20
Consumers	20
Percentage	100

Table 6 shows the Compositions of the Respondents to know about the food startup project managemnt implementation aspects to understand the efficiancy and effectiveness of projects in India. All the above stakeholders has expressed their opinion towards the effectiveness of food startup projects system efficiancy.

Figure: 3 Compositions of the Respondents



Key elements for success

In order to be a successful business/entrepreneur, it is vital that you remember the big vision behind the endeavor. A key factor for businesses is to have a well-mapped out plan in place, but be prepared to recalibrate and regroup as the need arises. Business models can be ever-changing based on the market demand. Observe what is already working in other businesses' models in your industry and emulate those practices instead of recreating what has proven to be successful approaches.

H0: There is no impact of Entrepreneurs traits on entrepreneurial startup success

H1: There is a significant impact of Entrepreneurs traits on entrepreneurial startup success

Entrepreneurial success factors: Food startups.

Table:7 Entrepreneurial success factors: Mean and Standard deviation

Variable	Category	N	Mean	Std. Deviation
Willingness to take action	Food startups	60	4.23	.881
	Manufacturing start-ups	60	3.91	.960
	Total	120	4.11	.923
Entrepreneurial knowledge	Food startups	60	4.26	.936
	Manufacturing start-ups	60	3.91	.94
	Total	120	4.12	.950
Entrepreneurial creativity	Food startups	60	4.25	.764
	Manufacturing start-ups	60	3.94	.906

	Total	120	4.13	.832
Entrepreneurial skills	Food startups	60	4.23	.881
	Manufacturing start-ups	60	3.91	.960
	Total	120	4.11	.923
Entrepreneurial intelligence	Food startups	60	4.26	.936
	Manufacturing start-ups	60	3.91	.941
	Total	120	4.12	.950
The ability for teamwork	Food startups	60	4.25	.764
	Manufacturing start-ups	60	3.94	.906
	Total	120	4.13	.832

Source: Compiled from field data

Table 7 shows the results of mean and standard deviation factors significant relation and good implementation in both food start-ups and manufacturing startups with regard to the variable of willingness to take action, Entrepreneurial knowledge, Entrepreneurial skills, Entrepreneurial intelligence and ability for teamwork.

Table:8 Student's t-test for Entrepreneurial success factors

Variable	Comparison	t- value	t-critical value	t-critical value	Significance
Willingness to take action	Food start-ups VS Manufacturing start-ups	3.88	1.96	2.58	Significant at 1% level
Entrepreneurial knowledge	Food start-ups VS Manufacturing start-ups	4.66	1.96	2.58	Significant at 1% level
Entrepreneurial creativity	Food start-ups VS Manufacturing start-ups	3.78	1.96	2.58	Significant at 1% level
Entrepreneurial skills	Food start-ups VS Manufacturing start-ups	3.92	1.96	2.58	Significant at 1% level
Entrepreneurial intelligence	Food start-ups VS Manufacturing start-ups	4.12	1.96	2.58	Significant at 1% level

Ability for teamwork	Food start-ups VS Manufacturing start-ups	3.91	1.96	2.58	Significant at 1% level

Source: Compiled from field data.

Table 8 shows the results of Student's t-test, the t-calculated was greater than the t-critical value (3.88 > 2.58). This indicated that there is a significant difference between the food start-ups and manufacturing startups with regard to the variable of Willingness to take action, Entrepreneurial knowledge, Entrepreneurial skills, Entrepreneurial intelligence and ability for teamwork. The significance was observed at 1% level of significance. All these factors had a good consideration while selection the business to execution level. However the results are highly significant in food start-ups compare to manufacturing startups.

Entrepreneurial Motivational Factor:

H_0: There is no significant difference between the employees of food and manufacturing start-ups with respect to entrepreneurial Motivation.

H_1: There is a significant difference between the employees of food and manufacturing start-ups with respect to entrepreneurial Motivation.

Table:9 Analysis of Work Motivation- Descriptive Statistics

Factors	Category	N	Mean	Std. Deviation
Employee motivation and support from superiors	Food start-ups	60	4.11	.708
	Manufacturing start-ups	60	4.24	.756
	Total	120	4.16	.727
Quality of working environment and working condition	Food start-ups	60	3.75	.872
	Manufacturing start-ups	60	3.93	.791
	Total	120	3.82	.844
Employee engagement	Food start-ups	60	3.91	.990
	Manufacturing start-ups	60	4.10	.831
	Total	120	3.98	.933
Employees feeling of self-esteem on	Food start-ups	60	4.02	.798
	Manufacturing	60	4.37	.670

their job	start-ups			
	Total	120	4.16	.769
Decentralization of authority	Food start-ups	60	3.77	.973
	Manufacturing start-ups	60	4.06	.855
	Total	120	3.88	.937
Work culture	Food start-ups	60	3.90	.995
	Manufacturing start-ups	60	4.22	.991
	Total	**120**	**4.02**	**1.002**

Source: Compiled from field data

The table 9 represents the key factors of entrepreneur's motivation in respect of developing the business in initial stages in terms of Employee motivation and support from superiors, Quality of working environment and working condition, Employee engagement, Employees feeling of self-esteem on their job, decentralization of authority and work culture aspects. All these factors proved that all the sample start-ups food and manufacturing start-ups had shown positive relationship by observing the mean values and standard deviation. Therefore all the food and manufacturing start-ups has taken good steps to promote business.

Table: 10 Student's t-test for motivation between food and manufacturing start-ups

Variables	Comparison	t-calculated value	t-critical value(5%)	t-critical value(1%)	Significance
Employee motivation	Food start-ups VS Manufacturing start-ups	1.84	1.96	2.58	Not Significant
Quality of working environment and working condition	Food start-ups VS Manufacturing start-ups	2.42	1.96	2.58	Significant at 5% level
Employee *engagement*	Food start-ups VS Manufacturing start-ups	2.33	1.96	2.58	Significant at 5% level
Employees feeling of self-esteem on their job	Food start-ups VS Manufacturing start-ups	5.44	1.96	2.58	Significant at 1% level

Centralization of authority	Food start-ups VS Manufacturing start-ups	3.63	1.96	2.58	Significant at 1% level
Work culture	Food start-ups VS Manufacturing start-ups	3.64	1.96	2.58	Significant at 1% level

Source: Data compiled from field study

From the above table it could be seen that based on the Student's t-test, the t-calculated was less than the t-critical value (1.84 < 1.96). This indicated that majority of the motivation variable has significantly following good practices by considering the Employee motivation and support from superiors, Quality of working environment and working condition, Employee engagement, Employees feeling of self-esteem on their job, decentralization of authority and work culture aspects.

Table: 11 Start-ups management effectiveness and Profitability

Feedback	Type of Sector		Total
	Food start-ups	Manufacturing start-ups	
Excellent	40 (33%)	50 (42%)	90 (37.5%)
Good	50 (42%)	30 (25%)	80 (33%)
Average	30 (25%)	40 (33%)	70 (29%)
Total	**120 (100%)**	**120 (100%)**	**240 (100%)**

Source: compiled from field data

Table 11 reveals the food and manufacturing start-ups management effectiveness and productivity is excellent in food start-ups compare to the manufacturing start-ups. It is found to be statistically significant (Pearson Chi-Square=7.36422, df=2, p=0.028362, α=0.05). It means employees who are working in food start-ups have shown more organizational effectiveness and productivity performance in terms of business success.

Table:12 Organizational effectiveness – Business Diversification

Feedback	Type of Sector		Total
	Food start ups	Manufacturing start-ups	
Excellent	50 (42%)	30 (25%)	80 (33%)
Good	40 (33%)	50 (42%)	90 (37.5%)

Average	30 (25%)	40 (33%)	70 (29%)
Total	**120 (100%)**	**120 (100%)**	**240 (100%)**

Source: compiled from field data

Table 12 shows the relationship between food and manufacturing start-ups organizational effectiveness in terms business diversification aspects of food start-ups has found to be statistically significant (Pearson Chi-Square=8.45228, df=2, p=0.043222, α=0.05). The Analysis reveals the fact that food start-ups has taking best business policies and business development initiatives then compare to manufacturing companies in India.

FINDINGS AND SUGGESTIONS

To create an umbrella structure to oversee innovation eco-system of the country and provide platform and collaboration opportunities for different stakeholders;

1. To study and suggest best and novel practices to be adopted by different stakeholders in the innovation chain;
2. To provide policy inputs to NITI Aayog and various Government Departments and Organizations.
3. To create awareness and provide knowledge inputs in creating innovation challenges and funding mechanism to government; and,
4. To develop new programmes and policies for fostering innovation in different sectors of economy.

To conclude, a startup ecosystem has been created through the new policy initiatives which would not only promote startups particularly in the manufacturing sector but also the micro units would be able to graduate faster as small and medium units.

If this objective is achieved the goal of job realization through self-employment would be complete as self-employment is the answer to providing jobs to the huge proportion of population in the economically active age group. This process would be fast tracked by the flagship programmes well supported by the Skill India Mission which would facilitate availability of right skilled manpower as entrepreneurs complains about skill mismatch. Given that startups are emerging as major job creators, governments both at the Centre and States need to put in place appropriate policy framework for the start-ups.

The government could not afford to ignore the importance of entrepreneurship as it had seen its visible effect in the developed economies around the world. It could see that its entrepreneurship that distinguishes a developed economy from a developing one. The reason is that the responsibility of successfully tapping into the available resources in the country cannot lie only with its government. The citizens need to understand that positive implication of entrepreneurship on a nation.

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