Study of Challenges Encountered by Indian Military Veteran Entrepreneurs during their Entrepreneurial Journey

Mishra Virendra Kumar, M Tech, MPM, Fellow IETE, Member CEGR, Research Scholar, Oriental University, Indore
vktmishra@gmail.com

Prof (Dr) RK Jain, Dean Research Studies, Oriental University, Indore
dean.research@orientaluniversity.in

Abstract

Armed forces personnel retire young while they still have a lot of residual productive professional life. They are accorded many opportunities and avenues by the organisation to transition to a second career to take up employment, self-employment or to be an entrepreneur depending upon their requirements. There are many Ex-Servicemen (referred to as ESM, Indian Military veterans or veterans) who venture into the world of entrepreneurship or self-employment. However, the transition from a military environment to a civil business environment is not at all smooth sailing. Veteran entrepreneurs, like their civil counterparts, also come across a number of challenges along their journey. Work done in this field with regard to Indian veterans is very scanty. A strong need was felt by the veteran community to understand impediments that scuttle the entrepreneurial ambitions of the veterans who otherwise are prepared with the resources required. Veterans are dedicated, focused, multi-skilled, and possess the necessary experience in varied roles in various domains. A veteran is experienced and capable of managing volatile, uncertain, complex and ambiguous situations. Well-versed in the management of diverse resources, including human capital and disaster management, many veterans wish to apply their leadership, technical and managerial skills to achieve their ambition & goals of entrepreneurship. However, before he transitions into a new environment, he should prepare himself well regarding the likely obstacles and challenges if known to him. A study was undertaken to understand the same. Indian military veterans, not many, though, were approached to share their experiences about the likely problems a new entrant veteran might come across. Interaction with the veteran entrepreneurs and their online response to the questionnaire has brought out a very educative lesson for the prospective veteran entrepreneur to prepare themselves before they take a plunge into the unknown arena. This paper presents the obstacles and challenges faced by military veterans during their entrepreneurship journey.

Keywords

Indian military veterans; veteran entrepreneur; obstacles & challenges; multi-skilled veteran.

1. Introduction

Indian military veterans are highly disciplined, dedicated, organised, and have vast exposure to resource and people management. Military service provides them extensive training on various issues, and they can manage the stressful situations very well. They are very well-groomed for disaster and diversity management effectively. Multi-talented and multi-skilled veterans have aspirations to use their skills and experience to venture into an entrepreneurial journey. They retire young, have enough productive life ahead, and have aspirations and responsibilities to shoulder. They are qualified, experienced, and motivated, many of the have acquired specific competencies during their service career from various establishments which provided them opportunities to take up entrepreneurship. Entrepreneurship is not an easy path to travel for anyone. However, for veterans, it appears to be even more challenging to move from a well-established system to unpredictable and uncharted path. May be that is the reason it is difficult to find many veterans
venture into this world. Every entrepreneur faces challenges in their endeavor to run a successful business. It takes vision, grit, determination, dedication, support from family & the organisation, and an overwhelming willingness to overcome unexpected obstacles. This study was undertaken to understand the challenges, and obstacles veterans face during the journey. Awareness of these challenges would give enough time to budding and enterprising veterans to explore the opportunities, and translate their skills, capability and ideas into a successful business.

2. Research Objective

To study the challenges faced by the Indian military veteran entrepreneurs in their second career after retirement.

3. Literature Review

R.S.Kanchana, J.V.Divya and A.Ansalna Beegom (03 Nov 2013), Challenges faced by new entrepreneurs, based on secondary data analysis brings out the challenges faced by new entrepreneurs in general.

N.Renisha (Sep 2015), Challenges Faced by the Indian Entrepreneurs and growth of Entrepreneurship enumerated a detailed information, about the challenges faced by the Indian entrepreneurs and growth of entrepreneurship. The paper examines the development and challenges of the entrepreneurship and entrepreneurs.

Jehanzaib Akram (Apr 2016), Challenges and Opportunities of Global Entrepreneurship, Journal of Business and Management, has analysed briefly the strengths, weaknesses, and implications of global entrepreneurship.

Y.Benazir Bena (Apr 2014), A study on the challenges faced by the Entrepreneurs, discusses how the entrepreneurs overcome the barriers while starting their enterprise, mainly focussed on Coimbatore city.

Jayadatta S, (Sep 2017), Major Challenges and Problems of Rural Entrepreneurship in India, IOSR Journal of Business and Management (IOSR-JBM), highlighted the significant challenges, problems faced and opportunities for an able and successful entrepreneur.

Sivakumar Venkatraman (2016), Challenges Faced by Entrepreneurs: An Empirical Study of India, has in their paper to identify challenges faced by small firms and entrepreneurs, governmental response, and possible solutions to their problems.

Vijay Kumar, (2017), Entrepreneurship challenges and opportunities: Indian scenario, International Journal of Multidisciplinary Research and Development URL has discussed the challenges and problems for the potentiality of rural entrepreneurship.

Dr. Varsha Agarwal (Sep 2019), in their Study on Challenges Faced By SMEs in India, has brought out the difficulties and challenges faced by Small and Medium Scale Enterprises, the factors affecting the growth and development of SMEs in India.

4. Research Gap

There are a large number of articles and papers which give out the challenges faced by new entrepreneurs. However, there is very little information available regarding the entrepreneurial experiences of an Indian Military Veteran. Through this study, an endeavor has been made to understand the challenges faced by Indian military veterans who venture out as entrepreneurs.
5. **Research Methodology**

The research methodology used in the research is Quantitative research and Descriptive research. This research method uses a statistical way to collect and analyse the data. The details of the numbers of veteran entrepreneurs or self-employed veterans are not available. Therefore, the researcher chose social media, Facebook, WhatsApp, and LinkedIn to interact and get primary data. A questionnaire (a set of statements with affirmative & negative connotations) was shared with the target population in various social media groups. A pilot study was carried out with secondary data and interaction with veteran entrepreneurs, and accordingly, a structured questionnaire based on 5-point Likert Scale was prepared for primary data collection. Statistical analysis was done by simple proportions and percentages.

**Primary data** Primary data was collected through a structured questionnaire which was shared through both online and offline methods. Over 300 military veterans and self-employed veterans were interacted with, physically and telephonically and using social media. The questionnaire (affirmative and negative connotation statements) included questions on various aspects of challenges and problems encountered by entrepreneurs.

**Secondary Data.** Secondary data was obtained from various research papers, online articles, etc. Though, information about challenges faced by Indian military veteran entrepreneurs is very scarce. Most of the papers and study reports available in the open domain pertain to veterans of different countries.

6. **Data Collection & Analysis**

6.1 **Category of Challenges/ Area of concern.** Even though entrepreneurship provides immense professional and personal satisfaction to meet one’s aspirations, the journey has its challenges and obstacles to offer to the individuals. Extensive interaction was carried out with military veteran entrepreneurs & others in the civil street, and existing literature/papers were referred, to understand the issue. It is found convenient to categorise the various problems and challenges as given in subsequent paras.

6.2 **Conceptualising, Implementation, and sustenance of business plan.** An individual may have a lot of ideas and concepts, however at times, it is very tough to translate those ideas and concepts into a workable business plan. A veteran has to translate his military skills to the civil business management skills. Many a times, he may find it much harder in reality than expected to execute & implement his plans and subsequent sustenance of the business. He may have difficulty in sustaining his motivation and enthusiasm to continue and there may be number of occasions and situations which may compel him to think to discontinue and go back to his retired life.

   a. Translating the idea/ concept into a business plan.
   b. Translate military skill to civil business management skills
   c. Execution and sustenance of business plan.
   d. Sustain self-motivation and enthusiasm to continue
   e. Support from family and friends
   f. Motivation and drive to continue and not give up

6.3 **Setting up and Infrastructure creation.** The next category of challenges can be clubbed as setting up and infrastructure creation. During his entire service, a veteran has had the luxury of implementing his ideas and concepts in a well-set system with and organisational support. Now he has to create his infrastructure, which he may find difficult to do with the scarce resources. Difficulties encountered may be

   a. Identification of location and market
   b. Creation of business infrastructure
   c. Bureaucratic procedural roadblocks and running around and dealing with multiple departments for implementation of government policy compliances
6.4 **Finance management.** Initial seed capital created from his savings and pensionary benefits will be inadequate for the initial setting up capital required for the business. And subsequently, the continuous cash flow may not be adequate for meeting his sales and marketing requirement and for business process.

   a. Initial seed capital for start-ups and translating the idea into a workable business model.
   
   b. Cash flow for sustenance for all business processes.

6.5 **Human Capital Management.** Availability, retention, and formation of a team of skilled, dedicated, and professional Human resources is a significant issue for any employer. Assembling a trustable decision-making team is a challenge faced by all management. Issues faced are as under:

   a. Adapting to civilian work culture as regards to time management, self-discipline, work culture and professional attitude.
   
   b. Many entrepreneurs noticed that majority of people have overarching focus on money. This poses a challenge to manage productivity.
   
   c. Availability of suitable employable professionals.
   
   d. Assembling a dedicated and trustable business core team.

6.6 **Product and services management.** Staying in business needs adaptable change management and customer management. There are numerous challenges faced for product and customer management as under:

   a. To stay afloat and keep the business running, one has to take measure to survive in the competitive market.
   
   b. Sales and marketing management challenges.
   
   c. Regular product/service upgradation.
   
   d. Satisfaction of clients and customer through the customer management process needs to be given due priority.

7. **Result and Data Analysis**

A structured questionnaire in the form of 20 statements was prepared after considering the above aspects. This questionnaire was circulated by email, printed form, veterans' groups on Facebook and WhatsApp and LinkedIn, and through Google forms. Due to prevailing COVID situation, physical interaction was avoided, and telephonic interaction was carried out. Over 300 military veterans and self-employed veterans were interacted with, physically and telephonically and using social media. One hundred five respondents who have had some association with entrepreneurship directly or indirectly, graded the structured questionnaire.

7.1 **Rank Profile of Respondent**

Military service provides opportunities for all ranks and trade personnel to enhance their capabilities. They get good exposure to enhance their skill set. DG Resettlement Directorate has provisions for training and providing opportunities for entrepreneurship. Table 1 rank profile of respondent veteran entrepreneur/self-employed veteran.

<table>
<thead>
<tr>
<th>Indian Military Veteran (Rank)</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retd Offr up to Col &amp; Equivalent</td>
<td>58</td>
</tr>
<tr>
<td>Brig &amp; above and equivalent</td>
<td>14</td>
</tr>
<tr>
<td>Junior Commissioned Officer &amp; Below / Honorary Rank (Equivalent)</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
</tr>
</tbody>
</table>

Table 1: Rank Profile
7.2 **Age of the Respondent.** Military persons retire in the age group ranging from 38 to 56 years. Many opt for voluntary retirement. The age profile of veteran entrepreneurs is given in Table 2 and graphically shown in Chart 1 below.

<table>
<thead>
<tr>
<th>Age</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>45 years or below</td>
<td>15</td>
</tr>
<tr>
<td>Between 46-50 years</td>
<td>24</td>
</tr>
<tr>
<td>Between 51-55 years</td>
<td>39</td>
</tr>
<tr>
<td>Between 55-60 years</td>
<td>15</td>
</tr>
<tr>
<td>Above 60 Years</td>
<td>12</td>
</tr>
<tr>
<td>Maximum Age</td>
<td>75</td>
</tr>
<tr>
<td>Min Age</td>
<td>38</td>
</tr>
<tr>
<td>Average Age</td>
<td>52</td>
</tr>
</tbody>
</table>

Table 2: Veteran Entrepreneur age

7.3 **Age of the enterprise.** Respondent veterans have been self-employed or associated with entrepreneurship from ideation to varying length of the enterprise age. The same is depicted in table 3 and graphically shown in Chart 2 below.

<table>
<thead>
<tr>
<th>Age of enterprise</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yet to Start (planning Stage)</td>
<td>3</td>
</tr>
<tr>
<td>less than 2 years</td>
<td>33</td>
</tr>
<tr>
<td>2-5 years</td>
<td>6</td>
</tr>
<tr>
<td>more than 5 years</td>
<td>63</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
</tr>
</tbody>
</table>

Table 3: Age Profile of the enterprise

7.4 **Challenges Faced by veteran Entrepreneurs.** A set of 20 statements, as challenges, including one statement to indicate overall satisfaction as an entrepreneur, were enumerated in the structured question and were rated by the respondents on a scale of 1 to 5 (where 1 is for Strongly Disagreed to 5 being Strongly agreed). The response has been tabulated in Table 3 to show the % of respondents who strongly agree/Agree to the statements. The mean of the ratings takes into consideration of all responses i.e. Strongly Disagree to Strongly Agree.

<table>
<thead>
<tr>
<th>Statement</th>
<th>% Strongly Agree/Agree</th>
<th>Mean Rating of response</th>
<th>Std Dev in the degree of agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1 Translating the idea/ concept into a business plan was complex</td>
<td>54.3</td>
<td>3.3</td>
<td>1.37</td>
</tr>
<tr>
<td>S2 Execution and sustenance of business, in reality was more complex than expected</td>
<td>71.4</td>
<td>3.8</td>
<td>1.14</td>
</tr>
<tr>
<td>S3 The creation of business infrastructure was difficult</td>
<td>42.9</td>
<td>3.2</td>
<td>1.29</td>
</tr>
</tbody>
</table>
8. Top 10 Challenges encountered by veteran Entrepreneurs. Of the 19 Challenges following are challenges rated to be the top 10.

1. **Execution and sustenance of business, in reality was more complex than expected.** 71.4% of respondents agreed that execution and sustenance was not as easy task as it looked before commencing the journey. So, one needs to be realistic in the assessment and must carry out proper analysis for setting up the venture.

2. **The business setting up faced bureaucratic road blocks due to various reasons.** 69.5% of respondents agreed that while in service, the systematic and well-organised SOPs helped him perform but now he has/is likely to face unexpected bottlenecks for policy compliances and various clearances.

3. **Initial seed capital management was complex** 68.6% of respondents believed that managing initial seed capital was a challenge. However, there are many options for loans available now.

4. **Unsatisfactory Cash flow due to inadequate sales/marketing management** 67.6 were concerned about the cash flow challenges faced to keep the venture afloat.
5. **Keeping pace with product/service upgradation was a challenge** 62.9% of respondents agreed that to stay in business, continuous improvement in product and services was needed. This was a challenge given the resources required for the same.

6. **The Difficulty of identifying suitable employable professional employees** Availability of skilled professional and workforce is a global challenge. 61.9% of the respondents agreed with this.

7. **The Difficulty to translate the military skill to civil business management skills** Indian Military personnel are among the most trained, multi-skilled and experienced workforces in the country. It is very prevalent to see a young soldier who joins the military after intermediate, gets trained, and is capable of operating sophisticated state-of-the-art equipments with ease. Job rotation and exposure to different business processes and diverse resources including human resources. However, it is difficult to translate these skills into a suitable business management skill required for its successful growth. 60% of the respondents agreed to this.

8. **Difficulty in adapting to a civilian work culture where the majority of people have overarching focus on money** 57.1% of the respondents agreed to the challenges faced for adapting to the different work ethics and the work culture.

9. **Corruption of various kinds encountered for setting up and sustenance** 56.2% of the respondents agreed that setting up and running a business requires tackling bottlenecks associated with policy compliances and associated challenges of unethical practices.

10. **Translating the idea/concept into a business plan was complex**. While an idea, when in mind and on the drawing board, looks feasible, its translation into workable plans may not be as easy as it looks. 54.3% of respondents agreed to this fact.

### 8.1 Satisfaction Level
Overall, 72% of respondents agreed and indicated that it had been a satisfactory experience of entrepreneurship.

### 9. Recommendation

The entrepreneurs contribute to the overall economic growth and wellbeing of the country and provide jobs for the young peoples. This study has brought out the main challenges and obstacles faced by veteran entrepreneurs. Veterans are Multi-skilled, experienced in various aspects of resource management, including people management. Dedicated, disciplined, and sociable veterans can bring a new vision and vigor to the forefront of economic growth, if they are given some organisational and social support for entrepreneurship. They need to prepare well in time before taking a plunge into entrepreneurship. A comprehensive training both at organisational and individual level will be a great support for him to successfully sustain the efforts successfully. He must undertake organisational financial management, sales& marketing training to complement his other management skills. Any veteran desirous of taking up entrepreneurship must undergo some formal training to understand various ways and means to mitigate the challenges and obstacles which are faced during the journey.

### 10. Conclusion

Multi-talented and multi-skilled Indian military veterans have aspirations to use their skills and experience to venture into an entrepreneurial journey. Veterans are highly disciplined, dedicated, organised and have vast exposure to resource and people management. Military service provides them extensive training on various issues, and they can manage stressful situation very well. They are very well-groomed for effective management of resources and adept at disaster and diversity management. Every entrepreneur, including veterans faces challenges in their quest to start and scale a successful business. Timely exposure to the business sustenance challenges, proper support & guidance, and suitable training, will enable veterans achieve their entrepreneurial goals & ambitions for a fulfilling career after military service. The study will give awareness to newly-retired young veterans who have the requisite qualities needed for entrepreneurship. Veterans’ experiences and skillsets are ideally suited for the challenges of entrepreneurship. The study has listed out 19 challenges that generally are encountered by entrepreneurs. These challenges relate to

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AUTHOR’s Profile

Virendra Kumar Mishra is an Indian Military Veteran retired as a Col after over 33 years of service. He is an Electronics Engineering graduate, MTech (Modelling & Simulation) and Masters in Personnel Management. He is a Fellow of IETE and Member of Centre for Education Growth & Research, New Delhi. His specialization includes Telecom Resource Management and Human Capital management. He has presented and published number of articles and papers related to veteran Skill management, Locus of Control and Information security.

Prof.(Dr.) R.K. Jain, Dean (Research) at Oriental Univ, Indore is Ph.D (Management - Marketing), M.B.A. (Marketing), (Gold Medalist - 1st Position) and LL. B. (Hons.). He holds the distinction of developing Soft Skills Training Program, E-Material for Management Education as well as various Management Programs such as MBA (Advertising & PR), MBA (Media Management) and Sales Training. He has successfully organized various National & Conferences and Efficiently developed Case Studies on industries for B-School Students. He has played a pivotal role in uplifting the Institute ranking. He has developed contents for corporate executives and organized EDP, MDP, Consultancy services. He has guided over 35 students in their PhD thesis leading to successful completion of their Doctorate. He is an active member of many professional institutions including Indore Management Association, Indian Society for Training & Development, Ethical Committee, TOTALL Diabetic Hormone Institute, Indore and a Life Member of Indore Press Club. He has to his credit over 80 papers/ articles in prestigious journals and magazines.