



ENTREPRENUERSHIP IN KASHMIR: THE DISINCLINATION, CHALLENGES AND ROAD-BLOCKS

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ABSTRACT:

Entrepreneurs are the key drivers of tomorrow's innovation and vital in creating a prosperous financial system. In the purest sense, they are those who identify a need and fill it by producing goods/services. Thus, entrepreneurs are great assets to any economy that not only create wealth from their ventures but also generate jobs and conditions for an affluent society. Despite a growing interest in this field, the state of J&K lags behind in creating a good deal of awareness and interest in entrepreneurship. The fact cannot be over-emphasized that entrepreneurship development can help in creating the much needed jobs in the valley besides having a big role and applicability in developing the state's economy. Unfortunately, innovation and a full scale entrepreneurial growth is still a farfetched dream in Kashmir. This paper is an attempt to find out the disinclination and reluctance Kashmiri unemployed youth perceive in starting business ventures of their own. Why do our young unemployed still prefer government jobs to advanced innovations and private enterprises? The paper also puts forth suggestions and recommendations aimed creating an optimistic awareness about entrepreneurship development in the valley so as to create a positive impact of the same on the state's economy in particular and society in general.

KEY WORDS: *Enterprise, Entrepreneur, Innovation, Venture.*

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1. Introduction

Entrepreneurs are the seeds of progress in any economy. Among the manifold benefits of entrepreneurship are industrial development, regional growth, employment generation, increase in per capita income, higher living standard and a general sense of affluence and prosperity.

The word “entrepreneur” is derived from the French verb *entreprendre*, which means ‘to undertake’. This refers to those who “undertake” the risk of starting new enterprises. In the early 16th century the Frenchmen who organized and led military expeditions were referred as ‘Entrepreneurs’. In the early 18th century French economist Richard Cantillon applied the term entrepreneur to business. Since then the word entrepreneur means one who takes the risk of starting a new organization or introducing a new idea, product or service to the society. An entrepreneur can be regarded as a person who has the initiative skill and motivation to set up a business or enterprise of his own and who always looks for high achievements.

An enterprise is created by an entrepreneur. The process of creation is called “entrepreneurship”. An entrepreneur is a fountain head of ideas and innovations who is always in search of new and better. He has a magnificent capacity to recognize opportunities, undertake risk and uncertainty. He changes risks and uncertainties into prospects for wealth generation by virtue of his knowledge, skills, initiative and a spirit for novelty and improvement. According to Cole “Entrepreneurship is the purposeful activity of an individual or a group of associated individuals undertaken to initiate, maintain and aggrandize profit by production or distribution of economic goods and



services". According to Higgins "Entrepreneurship is meant the function of foreseeing investment and production opportunities, organizing an enterprise to undertake a new production process, raising capital, hiring labor, arranging the supply of raw materials, finding site, introducing a new technique, discovering new resources or raw materials and selecting top managers for day to day operations of the enterprise".

2. Objectives

The study was conducted with the following objectives in view;

1. To investigate the unwillingness and indecisiveness of Kashmiri unemployed youth towards starting their own business endeavours.
2. To identify various core problems aspiring entrepreneurs face in successfully establishing their enterprises.
3. To propose feasible suggestions and recommendations aimed at sustainable development of entrepreneurship in the state.

3. Methodology

In the present study mostly secondary data have been used. Secondary data have been collected from various journals, articles, newspaper archives etc. The research is also based on various referred sources – published, unpublished and electronic.

4. Analysis and Discussion

4.1. Need and Opportunities for entrepreneurship in Kashmir

According to the figures revealed by government's various district employment and counseling centre's valley has more than 6980 jobless post graduates and 29034 jobless graduates registered with government employment exchanges. Out of the total number of two lack forty four



thousand jobless educated youth in the state of J&K, Kashmir division appears to be worst affected, having more than one lakh fifty five thousand of its educated youth without a job. Jammu and Kashmir has the highest unemployment rate of 4.9% .The reports also reveal that in JK, the unemployment rate of females is highest in India at 20.20% while as at all India level it is only 3.7%. Eradicating unemployment is one of the toughest challenges that the state government faces. In the light of the above figures, the importance of creating new jobs cannot be over estimated.

The state has several potential opportunities for starting new businesses especially in sectors like Agriculture, Horticulture, Floriculture, Tourism, Handicrafts etc. If exploited well, these business ventures can not only solve the reeling unemployment crisis of the state but also help the economy grow.

4.2. Core Problems

According to conservative estimates, 91% of entrepreneurial ventures in the valley are neither able to generate enough revenue for the state nor are able to employ people on a large scale. These enterprises narrowly fit the desired definition of entrepreneurship as they employ minimal resources which subsequently generate less revenues and very few to no jobs at all. This paints an awfully dismal and unappealing picture of entrepreneurship in the valley marring the interests of aspirants from establishing private ventures.

Poor infrastructure

The pitiable infrastructure of the state plays a major game spoiler for majority of budding entrepreneurs. Basic requirement to run any successful business include roads, electricity, internet facility, stable political climate etc. Unfortunately, Kashmir seems to be hit on all these parameters. From bad roads to turbulent law and order situation; opportunities as well as motivation towards the idea seems to have taken a backseat.



Complicated Paper Work

Majority of the aspiring entrepreneurs face irrational and annoying problems while making the relevant papers. The major complaint is getting clearances from a number of authorities making setting up a simple business venture an uphill task. One of the major road blocks is passing through tiresome levels of bureaucracy, unending chains of authorization, redundant scrutiny and unfriendly policies. Getting all the required papers in place can take months together. A top consulting firm has analyzed that on an average the work done in any Govt. office which takes approximately one month takes only 45 minutes in any private organization having paperless environment (software systems). Unfortunately, the work culture in government offices still works on traditional and orthodox lines.

Lack of Organized Information

Before deciding to start a business, aspirants must have access to the required basic and technical knowledge. The presence of a proper knowledge bank serves as a great assistance in helping them arrive at proper decisions regarding the industrial know-how, investments and any other relevant concerns. Without this information, entrepreneurs may find themselves shooting arrows in the dark. It is a matter of concern, when requested many government offices do not have proper data bases. Most of the government offices, do not maintain/update their websites. It is pertinent to mention that such portals serve as eye openers for entrepreneurs enabling them to arrive at better decisions. However, the state does not maintain enough data banks for providing these useful insights.



No Proper Guidance

There is a dearth of analysts, motivators and experts who can professionally guide our entrepreneurs. In addition to this, there is also a deficiency of business architects, technical specialists, business professionals who can provide a proper understanding of business proficiency and procedural guidelines. It is extremely disturbing to find very few business incubation centers and scrupulous agencies responsible for promoting, encouraging and nurturing entrepreneurship. It has also been noted that DPRs (Detailed Project Report) prepared by aspirants are not up to the mark. A comprehensive and professional business plan is not devised in most cases.

Stigma and Misinterpretation

Idea of ‘Thinking Out of the Box’ and letting go off ‘Government Jobs’ still does not have many takers. Government jobs are looked at as havens of security in terms of earnings, promotions and tenure. Many Kashmiris are highly resistant to change. Instead of having a welcoming approach to new ideas, they have readymade verdicts on ‘this cannot be done’ or ‘this won’t work in Kashmir’. Our society views entrepreneurs with suspicion and dubs them as failures. The social stigma runs so deep that it sometimes tarnishes the entrepreneur’s marriage prospects. It would not be wrong to say that we still marry our daughters to ‘Government Jobs’ instead of marrying them to hard working young men. This kind of attitude pushes promising entrepreneurs to the wall and consequently their enthusiasm and interest diminishes.



Conflict Ridden State

The fact that Jammu & Kashmir is a conflict ridden state has also pushed young aspirants away from entrepreneurship. The commoners in the state have suffered enormously for almost more than two decades. Setting up a business venture amongst uncertainty, violence, constant shutdowns and curfews seems highly risky. State has not only suffered an unimaginable human cost but has also weakened economically. People think twice before investing in Kashmir. The idea of entrepreneurship under such circumstances sounds unappealing to many.

5. Suggestions and Recommendations for Sustainable Entrepreneurial Development

There is a strong tie between the state's prosperity and Entrepreneurial Development. The state is in a great need of 'job-generators' instead of 'job-seekers'. The deep-rooted notions, misinterpretations and misconceptions about Entrepreneurship need to go. In view of this statement, the following suggestions and recommendations are proposed:

1. Government needs to play an active role in mending the current state of affairs. It must take prompt and adequate steps to ensure the basic infrastructural facilities like power supply, communication systems and other requisite logistics are in place. This will ensure that entrepreneurs focus on important business activities rather than running from pillar to post for demanding basic amenities.



2. Government needs to devise 'Friendly Policies' for entrepreneurs. The procedures required to be followed must be made hassle free so that entrepreneurs do not unnecessarily get caught in the nicks and knacks of officialdom.
3. All the necessary data required to implement a new idea or start a new venture should be made available. Government offices and agencies should work hand in hand with data experts to ensure that entrepreneurs get access to all the necessary data.
4. Potential entrepreneurs should rise above the social stigma associated with pursuing entrepreneurship as a career option. Instead of paying heed to mindless critics, they should stay focused, work hard and prove their detractors wrong. Reading about successful business men will not only inspire them but may also provide them with many more novel ideas to turn themselves into success stories.
5. In order to increase the level of knowledge and responsiveness towards entrepreneurship, EAPs (Entrepreneurship Awareness Programs) should be conducted throughout the state.
6. In addition to EAPs, Entrepreneurship Development Programmes (EDPs) and Entrepreneurship Orientation Programmes (EOPs) should be highly encouraged by the state government.
7. Job seekers should be given an understanding of the ground reality of unemployment scenario prevailing in the state so that they seriously pursue entrepreneurship as an option. This will not only prevent them from wasting precious time if they don't find a government job but will also impede them from moving out of the valley in search of greener pastures resulting in 'brain drain'.



8. Policy makers should introduce entrepreneurship in various colleges and universities as a subject course so as to promote independent thinking, creativity, innovation and risk taking ability in our students.
9. Averse mindset of thinking that the main objective of education is to get a government job should be replaced with the idea that the aim of is education enlightenment. Our education system should produce problem solvers rather than problem creators.

5. Conclusion

Entrepreneurship has an important role to play if the state of J&K has to be pulled out from unemployment crisis and deteriorating economic situation. It will prove as a fountainhead of a positive economic and social change in the state. Acknowledging the above facts, need of the hour is to work towards creating sustainable entrepreneurial development so that economic revival of the state can be initiated.



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