

Challenges Faced by the Indian Entrepreneurs and growth of Entrepreneurship**N.Renisha, M.com., M.Phil., D.P.S.,****Assistant professor in Business Administration****T.D.M.N.S College, T.Kallikulam****Abstract:**

This paper provides detailed information about the challenges faced by the Indian entrepreneurs and growth of entrepreneurship. It examines the development and challenges of the entrepreneurship and entrepreneurs. In India the entrepreneurs make the barriers as the key attractive forces for enter into new markets, which in turn will help the Indian entrepreneurs to grow faster. The paper includes entrepreneurial spirit, Indian entrepreneurship, business cycle, risk to Indian business growth and the major challenges faced by entrepreneurs. This paper concludes with the market conditions have been very encouraging to many young graduates who strongly believe that they have the technical knowledge and skills to attract new customers.

Introduction:

The “Challenge is a call to prove or justify something” According to the entrepreneurs the biggest challenge to an entrepreneur is the entrepreneur him/herself: Fear, Self doubt, Lack of focus, and Self-sabotage can bring down even the most brilliant entrepreneur with the best idea. Nearly 60% Indians possess strong entrepreneurial qualities- optimism, business-mindedness, persistence. Yet most Indians do not want to start their own business. Why? A look around may be sufficient to see ample reasons that prove to be a hindrance to the entrepreneurial spirit:

- Bureaucratic potholes that ensure those good number early days are spent running from one place to another, from one department to get the necessary permissions in place.
- Poor infrastructure facilities prove to be a huge hurdle to the distribution network. Scarcity of electricity, a good number of non-motor able roads, the problems are many.
- Personal risk such as uncertainty of success, financial risk such as loss of savings.
- Entrepreneurship in India comes with its huge share of cultural bottlenecks. There is a never-ending family pressure for job security through traditional means.
- Educational system in India is held within rigid boundaries one that prepares students to take up traditional employment rather than instilling the confidence to do something that one likes.
- Inability to find trusted business partners
- Mechanisms for protection of entrepreneurs

Indian entrepreneurship:

Before 1991, Indian business success was a function of ambition, licenses, government contacts, and an understanding of the bureaucratic system. Decisions were based on connections, rather than the market or competition. Business goals reflected a continuation of the “Swadeshi” moment, which promoted import substitution to attain economic freedom the west. Pre-1991 policies were inward looking and geared towards the attainment of self-reliance. During this era, entrepreneurship was subdued, capital was limited and India had very few success stories.

In 1991. The Indian government liberalized the economy, thus changing the competitive landscape. Family businesses, which dominated Indian markets, now faced competition from multinationals that had superior technology, financial strength and managerial resources. Thus, Indian business had to change their focus and re-orient their outlook outward. A few existing Indian business families adapted to the new economic policy while others struggled. Importantly, a new breed of business was born, one that focused on ICT (Information and Communication Technology) and created wealth for owners and employees.

For old business houses, success had come from the close-knit joint family structure that fosters family values, teamwork, tenacity and continuity. Under this structure, generations lived and worked together under one roof, reaffirming the Weberian values and trust that have built successful business. Wealth from the business supported the joint family by providing a social safety net for members.

Liberalization, however, changed the very nature of the joint family. If large Indian businesses were to succeed, the family would have to re-orient itself to compete in a global, competitive environment

Post liberalization, IT business succeeded because they were customer focused and professionally managed.

Obstacles for Indian business growth:

The entrepreneurs in India will develop and grow if the economy continues to grow on a sustainable basis. The risk to the India's growth is Terrorism, corruption (politically) etc. As investment increases foreign business can invest in India.

- ✿ **Terrorism:** Terrorism is attributable to religious and naxals. The terrorism creates uncertainty and delays the investment in any countries. So it's necessary to comprehend a country culture, constitution and the response to terrorism. Culture is there in myths, television, religion and history. Indian culture is tolerable and has many differences. To distinguish between the Europe

and India. India has many divergent countries. Where as Europe has an independent country. The skill in entrepreneurship and flexible to grow in spite of all the challenges.

- ✿ **Political risks:** India is a country with the lot of complexities and the political parties that are in India is abundant. The parties have involved addressing the needs and they gave the lower groups a way to the national level. The future will characterize with the combining of the politics into business.
- ✿ **Economic reforms:** Growth needs to continue and India needs another dose of reform, aimed at markets for inputs, from electricity to labor and land. If we are to continue to maintain the growth trajectory, the market for input needs to be liberalized. These are difficult political decisions and coalition politics will make the process slower and difficult. It will be easier for the government to address and repair old infrastructure through public private partnership

Challenges faced by entrepreneurs:

- ◆ **Adapting to modern technology:** Science and technology have developed in a vast arena. It not only improves the quality but also producing good and best services with the reduction in the cost of production. The reduction in cost increased the process of production. High-Quality commodities, low cost of productions, faster production and make highly competitive environment. The Indian entrepreneurs need mandatorily in need for to keep pace with the emerging technologies as much as possible and to the new technology. Old machines are replaced. This is the challenge for the Indian entrepreneurs to train the employee very well to make the handle the modern technology in an efficient manner.
- ◆ **Work force in India:** The workforce has a remarkable change. The stat indicates the male domination is going down as days passes by. A new era of highly qualified educated Indian women have entered to work in any companies besides the culture and barriers faced in the society. Women in India are now as professional managers, efficient employees, more hardworking than men today in the companies. This presence of women in the society has brought new challenges in the Indian entrepreneurs. Now the challenges are that the entrepreneurs should provide the environment in the women can work.
- ◆ **Marketing is a big challenge:** The five big marketing challenge in today's scenario are spending money on advertising that doesn't get a good return, partnerships that take time and resources, but don't pay off, keeping customers engaged, educating customers on all that we offer, developing employees who are passionate about our product or services. Advertisement is the one major key factor for the marketing which is used by the

entrepreneurs through media such as television, internet, radio, newspaper etc., and the entrepreneur has to select the efficient and experienced marketing team. They must give training which will develop the team into a better one.

- ◆ **Managing the finance of business:** Finance is the life blood of business. It can either make a business or break it. Under –capitalization and over-capitalization are very harmful to the business. Managing the finance of his business is a big challenge for an Indian entrepreneur. He must manage both fixed and working capital properly. He must borrow money from the right source. He must manage his cash flow properly. He must invest his excess funds correctly. He must create sufficient reserves and surplus.
- ◆ **Social challenges:** Family challenges are always at the top because that is what matter the most but at times social challenges also very important. It is happening in terms where you will have lot of challenges to be faced because the improvement in the business will be a quite delay than being an employee but the future growth is very large which patients is very important. On looking the people when entrepreneurs lose the confidence inside him/her then it will be a failure which should be taken care of.
- ◆ **Technological challenges:** Indian education system lags too much from the job industry as a whole but then it lags even more when it comes to online entrepreneurship. This does makes entrepreneurs life that much more difficult on technology front.
- ◆ **Teaming challenges:** Indians are more inclined towards job I big companies than towards a partnership or even working in small start –ups. You can have the hardest time finding the right team of people to get yourself moving this problem. To find the right balance of people to work is very difficult.
- ◆ **Motivation and Dedication:** Indian women/men come across several barriers before coming for a working environment. It is not only India but all the continents, countries, states, cities. The thing that is more needed for the growth of the organization is that the employees should be treated in a good manner that they work with dedication. The thing to make them do the work with a piece of dedication it is done by appropriate actions taken by the entrepreneur. the entrepreneur should make a more number of activities which motivates them and which makes them self dedicate them self to get into the business.

Conclusion:

Today's promising market conditions have been very encouraging to many young graduates who strongly believe that they have the technical knowledge and skills to attract new customers. The young Indian entrepreneurs are not the typical and conventional business entrepreneur. They are the children of many business professionals. This new young breed of worthy entrepreneurs has targeted their efforts on innovative ways to technologically address the genuine needs of millions of people. There is no denying the fact that most of the developed economies are very much relying on their new strategies formulated by the entrepreneurs.

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