

Entrepreneur Development

Entrepreneur

- 1) person
- 2) organizer
- 3) visualise
- 4) creator
- 5) initiator
- 6) innovator
- 7) technician
- 8) decision maker
- 9) leader
- 10) planner
- 11) motivator
- 12) risk taker
- 13) programmer
- 14) communicator
- 15) administrator.

Entrepreneurship

- 1) process
- 2) organization
- 3) vision
- 4) creation
- 5) initiative
- 6) innovative
- 7) technology
- 8) decision making
- 9) leadership
- 10) planning
- 11) motivation
- 12) risk taking
- 13) programming
- 14) communication
- 15) administration.

Definition of Entrepreneur :-

An entrepreneur is an individual who takes moderate risk & brings innovation.

Acc to Cantillon " An entrepreneur is the agent who buys factors of production at certain prices in order to combine them into a product with a view to selling it at uncertain prices in future.

Concept of Entrepreneur

- The word "Entrepreneur" derived from french verb 'entreprendre' mean to undertake.
- Entrepreneur is another name of risk taker.
- Entrepreneur is an individual who takes risk and starts something new.

Concept of Entrepreneurship

- It is a process of creating something new of immense value by developing or creating fresh innovative plans by spending required time, efforts & resources.

for eg - Entrepreneur take risk (calculated risk) to create new business by creating capital to apply new ideas that resolve problems, meet challenges or satisfy the needs of market.

But entrepreneurship is not limited to business and profit.

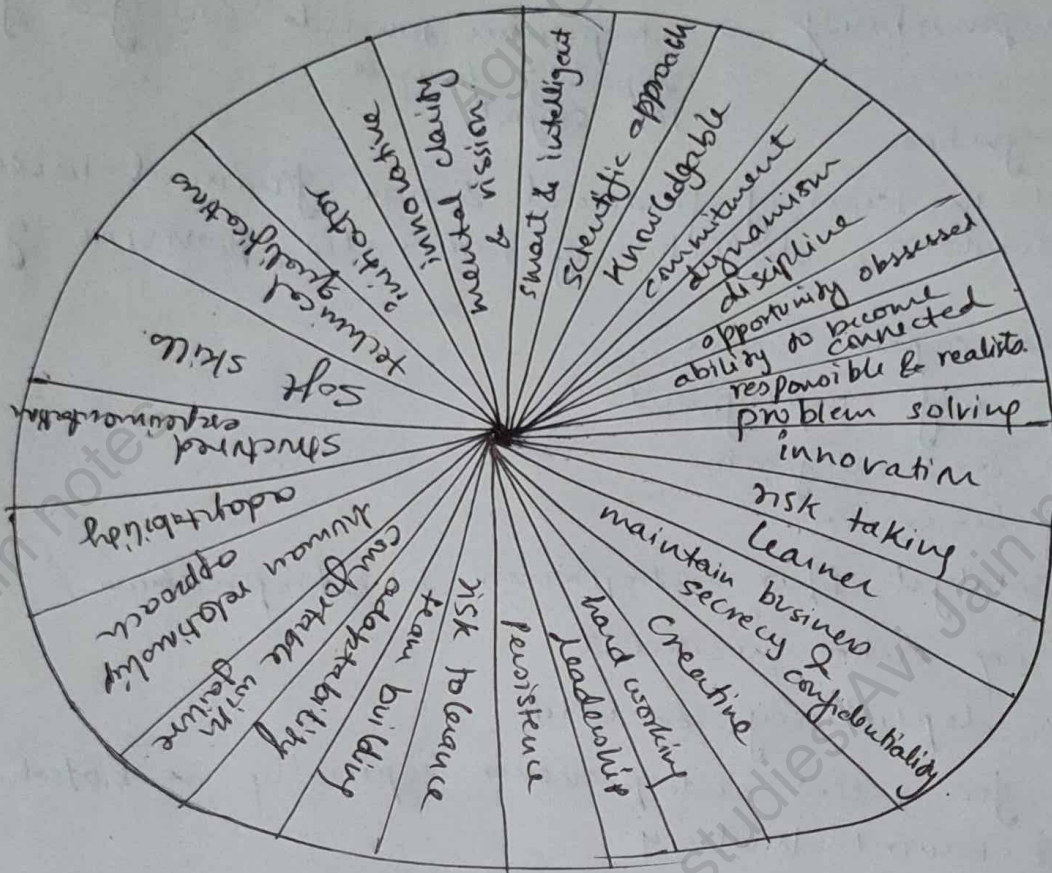
It involves bringing about change to achieve some benefit.

This benefit may be financial but it also involves the satisfaction of knowing you have changed something for the better.

Acc 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 & services.

Characteristics of Entrepreneur / Entreprising person

People may lack the personality & skills necessary for successful entrepreneur.



Outcome / Results / Importance / Scope / Reasons behind engaging in entrepreneurship / Objectives :-

- 1) innovation of new idea
- 2) innovation of newness of product/services
- 3) capital formation eg- infrastructure, land, building
- 4) generating profits/wealth
- 5) risk taking in business ventures
- 6) facing uncertainties
- 7) creating job opportunities
- 8) increasing national income.

Entrepreneur development / Role of ED in economic growth of nation / International perspective of ED / Determinants or stimulants of ED / Pros & Cons of ED / Indicators of ED.

- 1) Advancement of technology
- 2) Societal Responsibility → entrepreneur towards society & govt
→ support of finance
→ NR support
- 3) Societal Recognition
- 4) govt. support in terms of financial & non-financial incentives, scheme, subsidies, deduction of tax rates, provision of equipments.
- 5) increasing per capita income
- 6) creation of self employment
- 7) importation & modification
- 8) generation of innovation
- 9) acting as a catalyst b/w entrepreneurs & intrapreneurs
- 10) risk of losing entire investment
- 11) cutting down dependency on work
- 12) laying seed for new entrepreneurs especially in biotechnology, medicine & nano technology
- 13) low quality, standard of life.
- 14) high level of stress
- 15) long and hard work
- 16) high risk of losing.
- 17) uncertainty of income
- 18) discouragement
- 19) opportunity to engage in their choice - personal job satisfaction

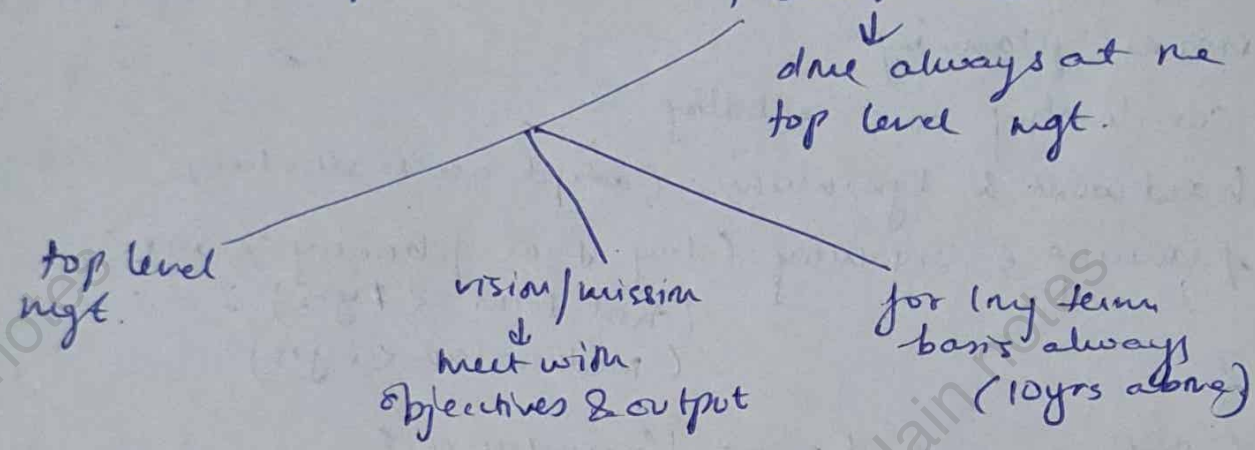
Entrepreneurial Development Program Objectives :-

- 1) facing uncertainties & risk
- 2) catering to financial issues
- 3) proper education & training
- 4) motivation
- 5) orientation & reorientation (business outlook) (संज्ञरिया)
- 6) sharpening the knowledge
- 7) vision planning
- 8) coordinating and controlling
- 9) hard work & dynamism \rightarrow (adapt acc to situation)
- 10) planning & organaisy (long term planning > 10 yrs),
(short term < 1 yrs)
(medium term < 5 yrs).

EDP concept / scope / importance :-

- 1) It is a program designed to help young entrepreneurs in strengthening them in acquiring skills & capabilities.
 - 2) To identify potential entrepreneur
 - 3) develop knowledge / skill among the participants
 - 4) To provide follow up assistance
 - 5) To understand process & procedure of setting up enterprise
 - 6) To provide follow up assistance
 - 7) To identify environmental issues related to SSI.
 - \hookrightarrow locality, demography, better utilisation resources, survival issues, transportation & warehousing.
- \hookrightarrow procedural support
- dissolving procedures (cancel of registration)
 - subsidies / rebates.
 - financial procedures \rightarrow pending dues, loans
 - Taxation exemption.

- 8.) To select project and products
(project selection, service selection, local, regional, state, national)
- 9.) To provide gainful self employment to educated youth of nation
- 10.) To develop entrepreneur in the art of communication and coordination
- 11.) To train the entrepreneurs in taking strategic decisions.



- 12.) To improve the entrepreneurial quality.
 - ↳ technical knowledge
 - managerial " } should be balanced

Process of EDG-

- 1) Discovering - (1) analyses business opportunities, ideas, interests, methods, techniques operations, talent, skills, HR people, source of income, failure prospects of business, degree of newness of creativity, viability or importance of project.
also discovers level of risk involved. financial risk, operational risk, HR risk, national risks.
- 2) Evaluation (1) market survey, (2) market research (3) market analysis (4) Market planning.
- 3) Developing a plan - (1) research plan, (2) financial plan & budgeting (3) market planning (4) operational planning (5) HR planning.

SWOT Analysis

Swot analysis :- It is a measuring tool to gauge individual or company's strengths, weakness, opportunities and threats. To calculate growth patterns or sustainability, and also to measure market entry decision.

Controlled internally Internal factor	<u>Strengths</u> what does your organization do better than your competition.	<u>Weakness</u> what does your organization need to improve upon.
External factor	<u>Opportunities</u> what market trends could lead to increased sales.	<u>Threats</u> what are the advantages your competitors have over your organization.

1) Strengths :-

- characteristics of the business or a team that give it an advantage over others in industry.
- positive tangible and intangible attributes, internal to an organization.
- beneficial aspects of an organization like brand loyalty, customer goodwill, human competencies etc.
- eg- well known brand name, low cost, better marketing skills.
- strong R & D team
- market size & market penetration
- customer loyalty
- global relations
- advance technologies.

- Strong distribution channel
- low investment & less wastage
- product features.
- HR talent & skills.
- product size & product volume.

2) Weaknesses :-

- characteristics that place the firm at a disadvantage relative to others
- financial losses & financial burden
- which do not meet the standards which we feel they should meet.
- Sometimes weakness are controllable.
- They must be minimized & eliminated
- eg - % of corruption
 - absence of HR skills & talent
 - weak industrial relations
 - poor quality of product (features, specification, price.
 - low govt. funding
 - low profit
 - high cost, high wastages.
 - industrial unrest.

3) Opportunities :-

- chances to make greater profits in environment
- external attractive factor that represent the reason for an organization to exist & develop
- Technological advancement (new technologies for innovation)
- changing consumer preferences
- explore international market
- expanding product/services (diversification)
- identify market trends
- capitalizing in favorable govt. policies.
- collaborate with key industrial players.

Threats :-

- external elements in the environment that could cause trouble for business
- which could place organization's mission at risk.
eg -
 - entry of foreign competitors.
 - changing customer needs
 - economic downturn.
 - increased govt. regulation
 - supply chain disruption
 - reputation damage
 - cybersecurity risks
 - resource scarcity.
 - technical disruptions.
 - natural disasters.
 - intense competitive rivalry.

Aims to SWOT analysis

- 1) To help decision makers to share & compare ideas
- 2) To bring clear purpose & understanding of factors for success
- 3) To organize important factors linked to success & failure.
- 4) allow complex idea to be presented systematically.

When to use SWOT analysis

- 1) Strategic planning
- 2) Business assessment
- 3) Product or service launch
- 4) Market research
- 5) Competitive analysis
- 6) Project evaluation.
- (7) Risk assessment
- (8) Team building
- (9) Personal development
- (10) Decision making
- (11) Problem solving
- (12) Non-profit organisations.

How to conduct SWOT analysis

1) Analyzing internal & external environment

- develop clear understanding of factors which could influence success and failure
- these factors identified as SWOT.

2) Performing SWOT analysis actually

- establish the objectives for which SWOT is carried out
- listing S, W, O, T.
- creating more open workshop environment
- select contributors
- gather information
- develop strategies
- continuous improvement
- monitor progress

3) Prepare action plans

- things that ~~be~~ can be handled now
- things that should be researched further
- " " " planned for future
- " " " addressed immediately.

Disadvantages of SWOT / Pitfalls :-

- 1) It lacks detailed structure so key elements may get missed.
- 2) needs to be conducted regularly for effectiveness
- 3) very subjective → can be use as a guide but not as prescription. as two people rarely come up with same version.
- 4) limited scope as not consider as broader societal or environmental impact
- 5) simplistic → due to which certain key strategic points overlooked
- 6) false sense of security. (7) difficult in predicting future trends
(8) overemphasis on negative aspects

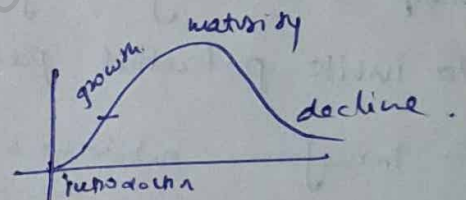
Government Policies & Programmes for Entrepreneurship

Objectives-

- 1) employment generation
- 2) enlarging market size
- 3) advance technology
- 4) better utilization of resources & land
- 5) multipolar market
- 6) Talent management
- 7) restricting brain drain
- 8) retaining talent firms outside india.
- (9) increase national gdp and per capita income
- (10) promoting innovations
- (11) multi diversity in products / services
- (12) promoting IPR.

(1) Start-up India scheme & -

- 1) To promote young talent
- 2) providing seed capital to start ups
- 3) providing tax benefits & funding.
- 4) legal & regulatory support.
- 5) counselling & mentoring for start-ups
- 6) sustaining to PLC (product life cycle)



2) Stand-up India scheme

- 1) To encourage women and SC/ST entrepreneurs
- 2) ~~loans of upto INR 1 crore are provided to eligible entrepreneurs to start or expand business~~
- 3) self-sufficiency in entrepreneurship (knowledge, skill, talent, HR management etc)
- 4) sharing benefits of India's growth
- 5) helping women employment → atleast 1 woman & one individual from SC/ST community are granted loan b/w Rs 1 million to 10 million.

- Supporting weaker section of society
- To set up their enterprise in the field of manufacturing services or trading sector.
- The start up india portal act as a digital platform for small entrepreneurs in providing them complete and meaningful information especially on financing and credit guarantee.

3) Make in India

- 1) To design & transform India into global design
 - eg - yoga day in term of health & wellness
 - ayurveda, homeopathy
 - cleanliness of airport
 - indian herbs medicine
- 2) To prepare youth with leadership skills, knowledge, training, help them face global competition.
- 3) To invite potential partners & foreign investors
- 4) To transform outdated policies & procedures into advanced forms
- 5) Centralising information into database.
- 6) tracking the opportunities from market & helping them in redesign at their scale.

4) Kaushal Bharat & Skill India

- 1) ACCURATE TAPPING OF TALENT / SKILLS.
- 2) training & education of youth
- 3) improvement in R & D department
- 4) making youth employable
- 5) continuous development of talent & skills,
- 6) skill india is no more limited to domestic countries but is engaging in global markets under the guidance of prime minister.

National skill development mission

- 1) Tapping the skills of entrepreneurs nationally
- 2) developing synergies b/w two nations
- 3) decision making skills on a large scale
 - ↳ top level → conceptual skill, technical, managerial, communication, soft
 - mid level skills → hard working, quick learner, creative, professional skills
 - low level → technical & professional skills.
- 4) institutional industrial training
- 5) good quality trainers
- 6) encashing public infrastructure
- 7) infrastructure (well equipped labs).

6) Pradhanmantri Kaural Vikas yojna :-

- 1) To train the youth according to industry requirement
- 2) enhance opportunities for livelihood
- 3) R & D.

7) Swashakti Project :-

- 1) Identification of rural women entrepreneurs
- 2) confidence building
- 3) financial support to women
- 4) safety & security measures
- 5) conveyance facilities to rural women entrepreneurs.

8) Mudra yojna scheme

- provide financial assistance to small & micro enterprise including startups
- loans of upto INR 10 lakhs.
- cater to financial requirements for startups & small business in country.

9) Atal Innovation Mission :- (AIM)

- promote innovation & entrepreneurship in country
- provides funding, mentorship & other support to startups.
- and entrepreneur working on innovative ideas.

10) Electronic Development Fund (EDF) :- (EDF)

- provide financial help to startups & small business working in electronics & IT sectors.
- provides equity, debt & other forms of funding to eligible companies.

11) Pradhan Mantri Mudra loan yojana (PMMY) :-

- provide loan to small and micro enterprise
- loans avail without any collateral security
- can be use for various purposes like, buying machine, purchasing raw material etc.

Governmental Institutions of ED

- * Central
- * State
- * NGO.

central govt. Institutions

① NABARD :-

- 1) provide subsidies to young farmers
- 2) training & development to farmers
- 3) helps in increasing agri products
- 4) attracting youth to agri sector
- 5) rural entrepreneurship development
- 6) training of advanced technology in agri sector
- 7) financial support to young farmers of nation
- 8) schemes for crop insurances are also floated by NABARD
- 9) training to be given to farmers in field of organic farming & newly introduced tools & equipments.

② SIDCO :- Small Industries Development Organisation :-

- 1) constituted in ~~1950~~ 1954 by central govt
- 2) supports the services to promote small scale sector (SSS)
- 3) formulates the policies of SSI units
↳ small scale industries
- 4) coordinates b/w the govt & SSI units
- 5) It offers consultancy services to farmers & SSI.

③ NSIC :- National Small Industries Corporation

- 1) supply of machinery & equipments
- 2) provision of financial assistance
- 3) arrangement of raw material
- 4) marketing assistance
- 5) establishment of technology centres.

④ SIDBI :- Small Industries Development Bank of India :-

- 1) setup up of new hotels, hospitals & new SSI units
- 2) modernization
- 3) technology upgradation
- 4) expansion & diversification.
- 5) quality upgradation.

State govt institutions

① State financial corporation :-

- 1) provide seed capital assistance
- 2) provide financial assistance to rural entrepreneurs
- 3) provide term loans for acquisition of land, equipment & machinery
- 4) promotion of self employment
- 5) expansion of industry
- 6) encouragement of women entrepreneurs.

② Technical Consultancy Services :- (TCS)

- 1) identification of potential entrepreneurs
- 2) project supervision
- 3) undertaking market research
- 4) offering technical assistance
- 5) undertaking industrial market survey.

Non-govt organization institutions (NGO) :-

① ICSI (Indian Council of Small Industries) :-

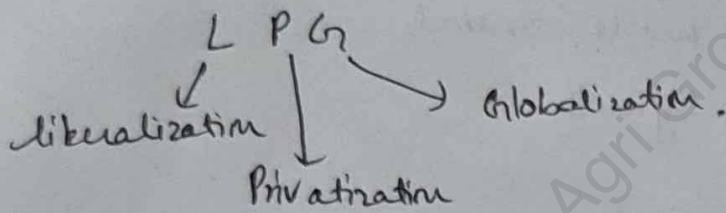
- 1) information & research
- 2) conducting EDP's
- 3) consultancy & management report
- 4) financial assistance.

② (LUB) - Lajji Ugyog Bhadi :-

- 1) founded in 1995
- 2) provides entrepreneurial training to SSI units
- 3) marketing services
- 4) technology upgrade/graduation.

Impact of Economic Reforms on agri business / agri enterprises.

LPG Policy / Economic Reforms / Industrial Policy 1991 / Impact of LPG / Post Economic reforms



1) Liberalization :- It is a process of decreasing the traits of state economy & increasing the characteristic (traits) of market economy.

↓ State vs market economy ↑
↓ ⇒ ↑

Eg- liberalizing the industrial licensing policies, price control, foreign exchange control, restrictions on investment especially by big business houses, import licence.

2) Privatization :- It refers to the introduction of private ownership in publicly owned enterprises.

Main 3 components are →
1) ownership
2) operational control (outsourcing)
3) and their management.

3) Globalization :- It is the process of integrating various economies of the world without creating any barriers in the free flow of goods & services, technology, capital, HR and other resources.

Impact :-

- 1) crop insurance
- 2) increase in agri product both export & import
- 3) improvement in agri technology
- 4) advanced rural infrastructure
- 5) agro food prices got stabilized after industrial policy
- 6) total food product got double after economic reforms
- 7) increasingly employment & income opportunities.

- 8) assuring food quality
- 9) supply food to people in po under poverty line
- 10) market expansion for agri products
- 11) agri procedures were relaxed & minimized
- 12) global industrial relations were made cordial
- 13) contribution to national economic growth

Functions of Entrepreneurship

- ① Idea generation
- ② determination of objectives
- ③ Raising of funds
- ④ Procurement of raw materials.
- ⑤ Procurement of machinery
- ⑥ market research
- ⑦ requirement of manpower
- ⑧ determination of form of enterprise
- ⑨ implementation of project

Role of entrepreneurship in economic development

- ① Capital formation
- ② improvement in per capita income
- ③ generation of employment
- ④ balanced regional development
- ⑤ Backward & forward linkages
- ⑥ economic independence
- ⑦ improvement in living standards.