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Entrepreneurship Development in Service Sector Challenges and Opportunities in India

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Abstract: India is young nation whose more than 60% population is below 35 year of age and all are least graduate and ready to be employable. But no country can absorbed their whole population into formal or informal sector. Then what is solution of this problem of youth in India. For solving this problem we look into global perspective and found that same demography was seen in USA 200 year ago then they adopt the principle of Entrepreneurship. And reap the rich harvest and became super power in financial wellbeing. Developed as epicenter of global growth and some of the MNCs from land of USA like Goggle, Intel, Microsoft and Apple create land mark history to challenge the well established norm of Industry. And turn the business models by fastest and growing revenue with large number of satisfied customer all over world. This is power of Entrepreneurship. This is well tested experiment nothing wrong by going this way and profile of India is very same as it was in USA before two century. As we go into bifurcation of Indian GDP in nominal figure more than 60% revenue comes from service sector so answer lies in same sector. After 1991 India just open up its economy came out from protect sainism to liberalization and growing with rapid pace in the journey of development we experienced the idea of digitalization which very much affect our business world equally to small trader to big ones and my study focus on these small Entrepreneurs who can adopted digitalization in the form of E-commerce along with their bricks and mortar to exploits their potential to become Entrepreneur and study is conducted in university campus by secondary data by university record of 412 students and direct interview from 96 student and found that majority of students are not in favor of doing business but 10% eager to become entrepreneur

Key word: Entrepreneur, Digitalization, E- commerce, Liberalization, Economy

I. INTRODUCTION

The story of the Indian entrepreneurship is fills with paradoxes. During the pre-colonial and colonial era, the entrepreneur was seen more as a trader-money lender merchant, bound rigidly by caste affiliations and religious, cultural and social forces ranging from the philosophy of fate to the system of joint family. Entrepreneurship as the present era understands was definitely not forthcoming from this social segment. Political & economic factors had an extensive effect on the entrepreneurial spirit. There were many issues that impact negatively on Indian entrepreneurship like Lack of political unity and stability, absence of effective communication systems, existence of custom barriers and oppressive tax policies, prevalence of innumerable currency system until around the third decade of the 19th century. In India trade is decided by jeans not by any training so son of cobbler is cobbler and son politician is politician and son of film star is film star. But after liberalization and globalization things become very much changed and also foreign education has play big role to decide trade and profession in India.

A. Objective of study

To know the potential of Entrepreneurship

To know the need of resources to develop Entrepreneurship

To know the mind set of youngster towards Entrepreneurship

II. LITERATURE REVIEW

A. Startup India

- 1) Single Window Clearance even with the help of a mobile application
- 2) 10,000 crore fund of funds
- 3) reduction in patent registration fee
- 4) Modified and more friendly Bankruptcy Code to ensure 90-day exit window
- 5) Freedom from mystifying inspections for 3 years
- 6) Freedom from Capital Gain Tax for 3 years

- 7) Freedom from tax in profits for 3 years
- 8) Self-certification compliance
- 9) Innovation hub under Atal Innovation Mission
- 10) Starting with 5 lakh schools to target 10 lakh children for innovation programmed
- 11) New schemes to provide IPR protection to start-ups and new firms
- 12) Encourage entrepreneurship.
- 13) Stand India across the world as a start-up hub.^[7]

the MUDRA Bank, a new institution set up for development and refinancing activities relating to micro units with a refinance Fund of ₹200 billion (US\$3.1 billion).

Highlighting the importance of creating customer experience which is indeed invaluable in the longer run for any business to function, he says, "Although some initial assumptions while starting up may not be spot on. It's important to build a supply experience for demand to generate." Find out as he elaborates Grofers' journey here

B. Radhika Aggarwal and Sanjay Sethi, Founders ShopClues

When they started, they knew the journey won't be as easy as it appears to be, especially clearing the funding round as they share, "A lot of energy and heartburns go into getting a startup funded." So, what got ShopClues up and running, hear from the founding team.

C. Ritesh Agarwal, CEO and Founder, OYO Rooms

The birth of a tech-enabled company offering standard reliable rooms transformed the face of Indian hospitality sector. He shares his experience by adding, "It's important to standardize user experience in order to retain them." Learn about the current opportunities in the accommodation market segment in India, here

D. Ambareesh Murty, Co-Founder, Pepperfry

Change is the only constant we all know and this holds true in case of startups as well. Mr. Ambareesh Murty endorses the same notion as he adds, "Every plan you startup with will change." Know of the three biggest learning's from his journey

E. Deep Kalra, CEO and Founder Make My Trip

Surviving the dotcom bust and the many hurdles, getting listed on the International Stock Exchange; Make My Trip was a game changer in the travel segment. Mr. Deep Kalra shares his views on the importance of co-founders to have complementary skills." Hear this from the man himself

By now, you must have known that entrepreneurship is not genetic but a skill that can be mastered with the right knowledge and structured form of learning. Recently, Up Grad has launched the fourth cohort of their comprehensive 4-month online program which is exclusively designed for beginners as well as experienced business owners to learn entrepreneurship through structured frameworks, insights from India's leading entrepreneurs, real life case studies, and opportunities for networking and collaborating with like-minded entrepreneurs. Till date, this program has received over 2000 applications from 12 countries, of which 350 entrepreneurs have been selected and trained in entrepreneurship and 25 startups have been launched with the support of Up Grad Entrepreneurship Program. Romil Jain, winner of the Most Promising Entrepreneur Award of the November 2015 batch, founded Gent club, a unique startup, where one can get personal styling tips. In his words "Up Grad helped me think through all aspects of building a technology product and establishing a business"

F. Challenges before Entrepreneurs in India

- 1) *Courage to start your own business:* Starting your own venture is not an easy task. You need a lot of courage and strength to quit your job and start your own business. One needs to be determined and confident towards his/her goals. You need to convince yourself that there is a need of such product in the market and you are the best person to build it.
- 2) *is your idea big enough?* Idea is the most important challenge which every entrepreneur faces. What are you planning to go for? What type of business you are going to deal in? Who are your target audiences? Is your Idea really worth giving a chance? These are few questions that would come up in your mind and you need to find answers for them. "A lot of the times one can go into a thinking phase before starting up because there are so many questions one needs to answer. One can get stuck in the

midst of the question marks and never take any action,” explains Arora. Before ideating, always remember that if your business doesn’t provide solutions to the consumers or doesn’t give something that they want; then you are going to fail as an entrepreneur for sure

- 3) *Raising Capital:* Money is another biggest challenge faced by an entrepreneur. Now you have to decide when, how and from whom you are going to raise the required capital. At times, people need to bootstrap their start-up for a longer period of time
- 4) *Hiring right talent:* After you have decided to start your own venture, you need a team. Behind every successful business is a dream team - be it finding a right co-founder or the founding start-up team. Getting someone, who believes in your idea/venture as much as you, to make it work is always difficult, but yet the most crucial.

“During the earlier days of our start-up, the biggest challenge was to find the right team who share a common vision about the goals and work towards making that a reality,” says AzharIqbal, Co-founder and CEO, Inshorts.com, a mobile news app that provides top news stories of the day in 60 words.

- 5) *Effective marketing on limited budget:* Being a start-up it’s very essential to create visibility among your consumers. You need to reach your target audiences by using effective marketing techniques. “Creating brand recognition without having access to a big marketing budget is a constant problem. It also becomes essential to measure the effectiveness of each rupee spent on marketing against tangible parameters. We try to use out of the box solutions like co-partnering with other start-ups and rely on social media to create the buzz around our products/services,” opines Neeti Patwa, Designer, Oropel, an online jewellery store of finest diamonds and gemstones.
- 6) *Financial Security:* For a start-up to be a successful enterprise one needs to answer two most important questions – ‘Do I have enough savings to ensure my family’s financial security?’ and ‘Does the company have enough funds to ensure at least a year’s runway?’ If you know you have enough savings for the family, then you can easily focus on the start-up that you are building. Along with it, if your start-up has enough working capital, then you have the ability to take bigger risks
- 7) *Dealing with stress:* It is correctly said ‘No pain no gain’. Entrepreneur has to go through many stresses – whether it is related to its business or family. To run a successful business one needs to be very strong and clam. So if you are starting up your own venture, then be prepared to deal with the daily stress.
- 8) *Facing Failure:* It’s not necessary that every idea of yours will work. With launching of new products and scaling new markets comes the notion of “failing fast”. If you’re trying a lot of new things, not everything will work and you will not succeed at each of those ideas.

“The biggest challenge that I see most entrepreneurs face is the fear of failure. The education system in India rewards success and penalises failure. One then grows up with these fears built over time, which become a hindrance to take risks required to start-up. It is extremely important to have a non-shattering belief in your vision, and work towards your goals with perseverance. Overtime, the fears would disappear and give way to a strong self-belief that anything is possible,” Rakesh Kalra, CEO, UrbanPro.com, an online local services marketplace for hiring professionals in India.

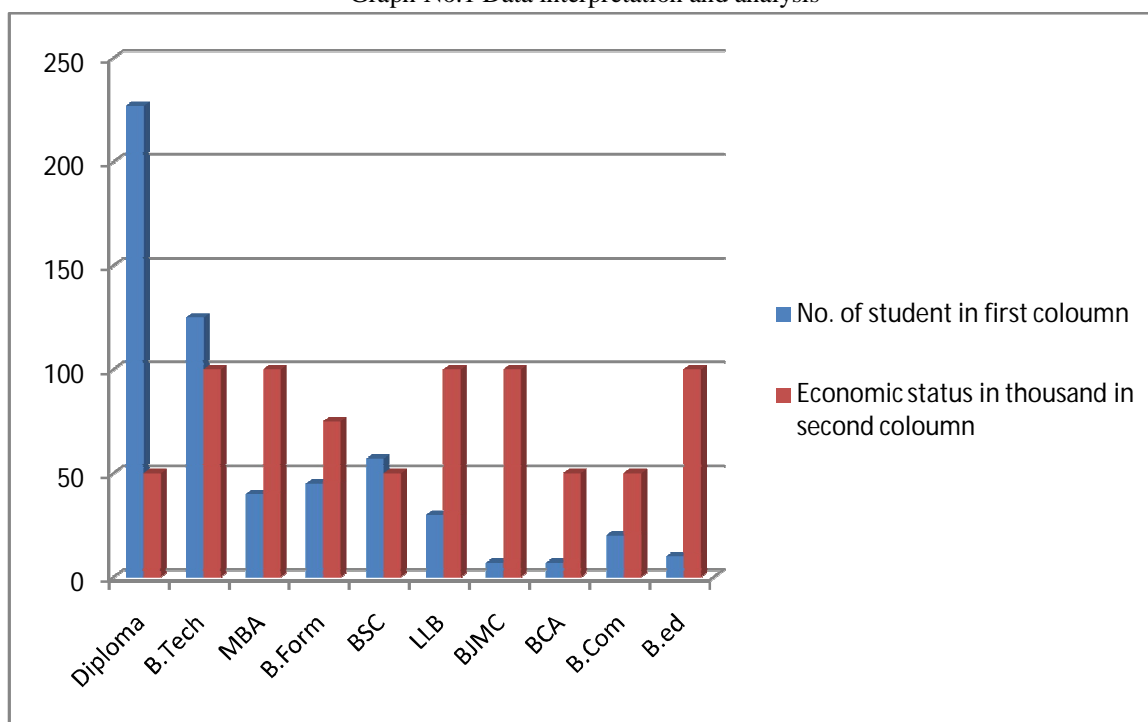
Table No.1 Data collected from university record(Demography of students)

| programme | No of student | Economic status | Education status | Residential status Medium of study |
|-----------|---------------|----------------------|---------------------|---------------------------------------|
| Diploma | 200 | 25.000-50,000 | School Literate | Rural |
| B.tech | 125 | 150,000- 200,000 | Graduate | Same urban |
| B.Sc(AG) | 57 | 25.000-50,000 | Others | Rural |
| BA | 12 | 25.000-50,000 | School Literate | Rural |
| BBA | 08 | | School Literate | Rural |
| B.COM | 07 | 25.000-50,000 | Others | Rural |
| BCA | 03 | 150,000 – 200,000 | A. Post Graduate | Same urban |

Table 1: Data collected though interview

| programme | No of student | Economic status | Education status | Residential status | Medium of study |
|-----------|---------------|--------------------|------------------|--------------------|-----------------|
| MBA | 18 | 150,000 – 200,000 | Graduate | Semi-urban | English |
| M.tech | 23 | 150,000 – 200,000 | Graduate | Semi-urban | Hindi |
| B.PHARM | 03 | 150,000 – 200,000 | Graduate | Semi-urban | Hindi |
| BSC | 34 | 25.000-50,000 | Others | Rural | Hindi |
| BFA | 03 | 300,000 – 500,000 | Graduate | urban | English |
| BJMC | 03 | 150,000-200,000 | Graduate | urban | Hindi |
| LLB | 12 | 500,000 and above\ | School Literate | Rural | Hindi |
| | 96 | | | | |

Graph No.1 Data interpretation and analysis



G. Findings and Suggestions

- 1) Basically my study focuses on Enerprunre of new age who believe on digitalization.
- 2) They can do their business online and offline by both ways
- 3) Those who were doing business locally now they became global



- 4) Their revenue increase many fold
- 5) They need to focus on customize services
- 6) They also need to provide specialize services

III. CONCLUSION

Entrepreneurship is the lifeblood of any organization. Indian entrepreneurs are more about overcoming barriers, obstacles, inspiring & surmount in their fields. Entrepreneurship is one of the important segments of economic growth and development. Innovation is a key factor that an entrepreneur brings in an overall change through innovation for the maximum social and organizational benefits. The growth of entrepreneurship particularly in the small scale sector(SME) can be traced to the 2nd World War boom which brought many enterprising people from various part of society But in our countries the mind set is responsible not create climate and ecosystem for first generation Entrepreneur

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A. News papers and magazines

- [1] Youjna monthly
- [2] Business world
- [3] The economic Times
- [4] The Hindu

Annexure

Home Address: _____

Village/ post

City....

State ...

Home Telephone Number: _____ -) (_____

Mobile Number: _____ -) (_____

: _____

: _____

Father's Name –

Programme –

Category –GEN/OBC/SC

Annual Income (Of Family) –

(i) 50,000 – 150,000

(ii) 300,000 – 500,000

(ii)150,000 – 300,000

(iv)500,000 and above\

Educational Back Ground of Your Parents –

A. School Literate

B. Graduate

C. Post Graduate

D. Others

Residential Status

A. Rural



- B. Semi-urban
- C. Urban

Language of your taste (Read& Write)/ Medium of your study

- A. Hindi
- B. English
- C. Any other(Specify)

What is your expectation?

- A. Good Education
- B. Good Job
- C. Entrepreneur

(1) What are challenges before you to start business?

- (a) Shortage of fund
- (b) Legal issues?
- (c) Greater risk?

Do you want to become job seeker

1. Yes 2. No

()What do you mean by self employed

- (a) Own business
- (b) Others job
- (c) Freedom



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