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‘Startup India’ Schemes- New Opportunities for the Entrepreneur

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Abstract

Entrepreneurship plays a critical part in any country’s economic progress. Entrepreneurship is a cornerstone for a nation’s economic prosperity since it generates jobs, contributes to national income, promotes rural development, industrialization, technological development, and export promotion, among other things. India government has developing numerous steps for the entrepreneurship for time to time in our country. In India, policymakers have taken notice of entrepreneurship. To support private sector development, a number of high-level initiatives have been established, including Startup India. For many policymakers, however, the role of entrepreneurship in growth remains a mystery. The primary goal of this article is to investigate the ‘STARTUP INDIA’ Scheme, which aims to encourage entrepreneurship in India. This research was based on secondary material gathered from a variety of sources, including books, journals, websites, and newspapers.

Keywords: Entrepreneurship, Startup, Entrepreneur, Innovation, Development and Promotion

Introduction

“Entrepreneurship is the purposeful activity of an individual or a group of connected individuals engaged in initiating, maintaining, or organising a profit-oriented business unit for the production or distribution of economic goods and services,” according to A.H. Cole. Small businesses continue to dominate Indian entrepreneurship. In the manufacturing sector, they account for roughly 95% of firms and 80% of employment. They’ve also improved their output. Small businesses in trade industries have accounted for much of the manufacturing sector’s job creation, while non-tradable businesses have shrunk.

Objective of the Study

The researcher illuminates the entrepreneurship scenario in India in this paper by discussing the following:

- Indian Entrepreneurship: A Global Perspective

- Obstacles encountered by Indian entrepreneurs prior to launching a business
- Government of India Support for Innovation and Entrepreneurship in India

Research Methodology

The primary source of information for this inquiry was secondary data. The current research is an exploratory and descriptive conceptual survey. Analytical research, which is based on quantitative data, was applied in this study. The study’s data came from a variety of sources, including websites, journals, magazines, newspapers, and books.

Entrepreneurship in India: A Global Perspective

Entrepreneurship is essential for job generation, economic growth, and problem solutions. It also signifies a society’s willingness to take risks, innovate, and be daring. Entrepreneurship, economic growth, and innovation all have a considerable positive association, according to the Global Entrepreneurship Development Institute (GEDI). The Global Entrepreneurship Development Institute (GEDI) just released its 2018 Global Entrepreneurship Index, in which 137 countries are ranked.

Countries are Ranked on 14 Criteria

- Opportunity perception (whether the population can identify opportunities to start a business);
- Start-up skills;
- Risk acceptance;
- Networks;
- Cultural support;
- Opportunity start-up (whether entrepreneurs are motivated by opportunity rather than necessity);
- Technology absorption;
- Human capital;
- Competition;
- Product innovation;
- Process innovation;
- High growth (business intention to grow);
- Internationalization and
- Risk capital availability.

1. How does India Fare in the Field of Entrepreneurship?

Given the importance of the “start-up India” initiatives and the critical role of entrepreneurship in creating jobs in a stagnant Indian labour market, India’s performance is critical.

India’s Performance in 2018 according to the GEDI Index

- According to GEDI, India ranks 68th out of 137 countries, indicating a “middle” performance.
- India was at the 69th position last year (2017).
- The index, which ranked 137 countries, is topped by US.
- Each country is ranked according to its GEI score to indicate overall entrepreneurship attitude and potential
- Global Entrepreneurship Index is prepared by Global Entrepreneurship Development Institute (GEDI) which is a policy development organization dedicated to expanding economic opportunities for individuals, communities and nations.
- As per the Asia Pacific region, India is again in the middle position, 14th out of 28 countries.

- The leading regional players are Australia, Hong Kong and Taiwan at first, second and third positions respectively.
- It is noteworthy that India falls below China (9th) and more established regional economies such as Korea (4th) and Japan (6th) in the region.
- The performance by specific criteria also makes for an interesting viewing. India's strength areas where its performance is above its overall score are in product and process innovation, internationalization, opportunity start-up, risk acceptance, opportunity perception and robust competition in the marketplace. Its performance on human capital is broadly at par with its overall performance.

Where does India Score the Most?

India's strongest performance falls under the criterion of product innovation where its score is equal to the best in the world. This measures a country's ability and potential to generate new products and to adopt or imitate existing products. In broader terms, India's strength lies in its ability to identify the opportunities and risk-taking, which in turn links to its capabilities in product innovation and a healthy attitude towards internationalization and seeking new markets beyond the home base.

Reasons for India's "Middling" Performance

By contrast, India's weaker areas, where it scores below the overall score, are in start-up skills, networks and cultural support, technology absorption (by far the weakest), high growth and risk capital availability. However, the weakest area for India lies in technology absorption which is the ability of a country to access, utilize and enmesh the knowledge from elsewhere and then integrate it.

Some Other Challenges and Influences

Surprisingly, India also suffers significant networking and cultural support issues. In terms of how well entrepreneurs know and connect with each other to share ideas, technical know-how, market connections, and execute cooperative activities, India falls short of a number of other countries. The Indian system also has a major flaw in terms of cultural support. This metric assesses how a society regards entrepreneurship in terms of its standing and as a career option, as well as how corruption influences that perspective. As a result, the entrepreneurial sector faces a significant problem in ensuring that the appropriate amount and type of financing is available at all times across the entrepreneurial life cycle.

The Future Approach

India needs to pay more attention to the skills required for entrepreneurship, such as staff training, labour market flexibility in terms of being able to hire the right people with the right skills at the right time, and the level of education of entrepreneurs, in order to significantly improve its GEDI index ranking. There is also a need to improve the educational system's capacity to provide high-quality support, with a stronger emphasis on entrepreneurship courses.

Challenges Faced by Indian Entrepreneurs before Starting Up

• Courage to Start your Own Business

It is not easy to start your own business. Quitting your job and starting your own business takes a lot of guts and strength. To achieve one's objectives, one must be committed and confident. You must persuade yourself that there is a market for such a thing and that you are the ideal person to create it.

- **Is your Idea Big Enough**

Isn't the most essential obstacle that every entrepreneur encounters the development of an idea? What are your plans for the future? What kind of business are you intending to run? Who are the people you want to reach out to? Is it truly worth taking a gamble on your idea? These are some of the questions that will arise in your mind, and you must discover answers to them.

Raising Capital

Another major obstacle that an entrepreneur must overcome is a lack of capital. You must now determine when, how, and from whom you will raise the necessary funds. People may need to bootstrap their businesses for a longer period of time at times.

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.

- **Effective Marketing on Limited Budget**

As a startup, it's critical to gain attention within your target market. You must use excellent marketing tactics to reach your target audiences.

Financial Security

To be a successful business, one must first answer two critical questions: “Do I have enough funds to ensure my family's financial security?” and “Do I have enough savings to ensure my family's financial security?” “Does the company have enough cash to cover at least a year's worth of runway?” If you know you have enough money to support your family, you can concentrate on the start-up you're working on. Furthermore, if your startup has sufficient working capital, you will be able to take bigger risks.

Dealing with Stress

‘No pain, no gain,’ as the saying goes. Entrepreneurs face numerous stresses, whether they are related to their business or their family. It takes a lot of strength and calmness to run a successful business. So, if you're establishing your own business, expect to be stressed on a daily basis.

Facing Failure

It is not required for all of your ideas to be successful. The concept of “failing fast” is associated with the debut of new products and the expansion of new markets. If you try a lot of new things, not all of them will work, and you won't be successful with every one of them.

Government of India Support for Innovation and Entrepreneurship in India

The government of India has taken numerous steps for the development of entrepreneurship in the country from time to time. In India, policymakers have taken notice of entrepreneurship. To support private sector development, a number of high-level initiatives have been established, including Startup India. For many policymakers, however, the role of entrepreneurship in development remains a mystery.

India's attempts to promote entrepreneurship and innovation include the following:

Startup India

The Government of India fosters entrepreneurship through the Startup India initiative, which mentors, nurtures, and facilitates companies throughout their life cycle. Since its inception in January 2016, the programme has helped several budding entrepreneurs get a head start. The project, which takes a 360-degree approach to enabling entrepreneurs, offers a free four-week online learning programme and has established research parks, incubators, and startup centres across the country by forming a strong network of academia and industry bodies.

Make in India

The Make in India programme was started in September 2014 with the goal of transforming India into a worldwide design and manufacturing centre. It was a powerful call to India's citizens and business leaders, as well as an invitation to potential partners and investors from all over the world, to revamp obsolete systems and rules and consolidate information about manufacturing prospects in India. This has instilled increased faith in India's capabilities among potential partners overseas, the corporate community in India, and the general public.

- **ATAL Innovation Mission (AIM)**

AIM is the Indian government's effort to encourage a culture of innovation and entrepreneurship, and it acts as a platform for the development of world-class Innovation Hubs, Grand Challenges, start-up firms, and other self-employment activities, particularly in technology-driven fields. AIM recently introduced ATAL Tinkering Labs (ATL) across India in order to stimulate curiosity, creativity, and imagination directly in the classroom. ATLs are areas where students can use tools and equipment to acquire hands-on experience with STEM ideas (Science, Technology, Engineering and Math). AIM's ATAL Incubation Centres (AICs) are a new programme designed to help innovative start-up businesses grow into scalable and sustainable businesses.

- **Support to Training and Employment Programme for Women (STEP)**

The Ministry of Women and Child Development of India launched STEP to train women who do not have access to formal vocational training facilities, particularly in rural India. The Ministry of Skill Development and Entrepreneurship, in collaboration with NITI Aayog, has redrafted the 30-year-old initiative's Guidelines to reflect current demands. The campaign is open to all Indian women over the age of 16. Agriculture, gardening, food processing, handlooms, traditional crafts like embroidery, travel and tourism, hospitality, and computer and IT services are among the areas where the curriculum imparts skills.

- **Jan Dhan- Aadhaar- Mobile (JAM)**

For the first time, JAM is a technology intervention that allows direct delivery of subsidies to intended beneficiaries, removing all intermediaries and leakages from the system and potentially impacting the lives of millions of Indian citizens. JAM provides accounts to all underserved locations in order to make financial services available down to the last mile, in addition to serving as a key check on corruption.

- **Digital India**

To modernise the Indian economy, the Digital India programme was started with the goal of making all government services available electronically. India will be transformed into a digitally empowered society and knowledge economy with universal access to goods and services as part of the initiative. Given the historically low rate of internet adoption, this programme attempts to bring

high-speed internet to the masses. The goal of this programme is to increase public participation in the digital and financial spaces, make India’s internet safer and more secure, and make conducting business easier.

- **Biotechnology Industry Research Assistance Council (BIRAC)**

The Department of Biotechnology established BIRAC as a not-for-profit public-sector organisation to strengthen and empower budding biotechnology businesses. Its goal is to integrate strategic research and innovation into all biotech businesses and to close the gap between industry and academia. The ultimate goal is to leverage cutting-edge technologies to create high-quality, yet cheap, items. BIRAC has formed relationships with a number of national and international partners to help the Indian biotech industry, particularly start-ups and small and medium-sized enterprises (SMEs), grow capacity, and has aided multiple quick advances in medical technology.

Department of Science and Technology (DST)

- The DST is made up of many arms that operate on a variety of initiatives requiring scientific and technological intervention. Technology Interventions for Disabled and Old, for example, uses science and technology to develop technical solutions to address difficulties and improve the quality of life of the elderly in India. The ASEAN-India Science, Technology, and Innovation Cooperation, on the other hand, aims to close the development gap and improve connectivity between ASEAN countries. It promotes cross-sector collaboration in science, technology, and innovation by awarding fellowships to scientists and researchers from ASEAN member states to improve their research skills and expertise at Indian R&D/academic institutions.

- **Trade related Entrepreneurship Assistance and Development (TREAD)**

The TREAD initiative, which aims to solve the essential issue of credit access among India’s disadvantaged women, makes credit available to interested women through non-governmental organisations (NGOs). As a result, women can receive assistance from registered non-governmental organisations (NGOs) in obtaining credit facilities as well as counselling and training opportunities to kick-start new businesses, paving the road for women to engage in non-farm activities.

- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)**

This is a Skill Certification initiative led by the Ministry of Skill Development and Entrepreneurship (MSDE) that intends to train youth in industry-relevant skills to improve chances for livelihood creation and employment. Individuals having prior learning experience or talents are also evaluated and certified as Recognized Prior Learning. Under this programme, the government pays for all training and assessment costs.

- **National Skill Development Mission**

The mission, which was launched in July 2015, aims to create synergies in skilled industries and projects across sectors and states. It is aimed to accelerate decision-making across industries in order to supply skills at scale without sacrificing quality or speed, with the goal of creating a “Skilled India.”

- **Science for Equity Empowerment and Development (SEED)**

SEED aspires to give dedicated scientists and field workers the opportunity to collaborate on action-oriented, location-specific projects for socioeconomic advantage, especially in rural areas. National labs and other specialised S&T institutions have been linked to grassroots innovations to enable access to expert input and high-quality infrastructure.

The Research Findings

- India's best performance is in the category of product innovation, where it is tied for first place with the best in the world.
- Start-up skills, networks and cultural support, technology absorption (by far the lowest), fast growth, and risk capital availability are among India's weaker sectors, where it scores below the overall score.
- India also has some acute issues in terms of networking and cultural support.
- In order to considerably improve its GEDI index rating, India must focus more on the skills essential for entrepreneurship, such as staff training, labour market flexibility (the ability to recruit the right people with the right talents at the right time), and the degree of education of entrepreneurs.

The Indian government has taken many steps and implemented policies to encourage a culture of innovation and entrepreneurship in the country. The Government of India fosters entrepreneurship through the Startup India initiative, which mentors, nurtures, and facilitates companies throughout their life cycle.

Conclusion

India has evolved into a rich setting for the development of new entrepreneurs. Social entrepreneurship is an essential part of entrepreneurship in India. Many people in India, where poverty and unemployment remain prevalent, have decided to take matters into their own hands, with or without government assistance, to work for a brighter tomorrow. Teach for India, Tata Jagriti Yatra, and other such initiatives not only promote entrepreneurship among the youth, but also give them with practical experience. The government of India has taken numerous steps for the development of entrepreneurship in the country from time to time. In India, policymakers have taken notice of entrepreneurship. To support private sector development, a number of high-level initiatives have been established, including Startup India. For many policymakers, however, the role of entrepreneurship in development remains a mystery.

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