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Recent Challenges Of Entrepreneurial Ventures : An Innovative Move Towards Growing Indian Economy

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Abstract: The Knowledge based economy of modern India depicts a culture of entrepreneurship and innovation. Instituted policy measures and initiative aims to benefit out of India's virtually limitless potential. The unique demographic advantage of India assists it in raising entrepreneurs and creating jobs which can benefit the entire nation. Entrepreneur plays a vital role in fostering economic growth, supporting communities and even stimulates personal growth.

In Today's era , the super competitive business world brings many challenges to entrepreneur. This is the reason behind the launch of entrepreneurship programs such as Start Up India and Make In India by the government for imparting adequate importance to business minds for our country's economic growth. In spite of a blooming start up ecosystem , it is impossible to ignore the challenges that act as roadblocks.

Every successful entrepreneur has to picture the challenges that affect the business , anticipate the marketing situations and they also work to minimize the costs while maximising the profits. These challenges according to Shaikh (2010) could be either internal or external. These challenges can negatively impact entrepreneurial success. Cash flow management , Time Management , Hiring of Employees , Choosing the Product and Delegation of Tasks are challenges faced by entrepreneur today. This paper provides a brief overview of the challenges faced by the entrepreneurial ventures and how it creates hindrance in the growing economy of India. The paper concludes with some basic suggestions which could be considered by entrepreneurs to meet the challenge to some extent.

Key Words: Entrepreneur, Entrepreneurship, Demographic, Economic Growth, Make In India, Start Up India.

The entrepreneurial venture showed immense resilience through innovative ways during the pandemic and now India is gradually, making its way towards recovery, growth sustainability in 2021. The current economic scenario in India is on expansion mode. The Indian Government is increasingly showing great enthusiasm to increase the GDP rate of growth from grass root levels with introduction of liberal policies and initiatives for entrepreneurs like 'Start Up India', 'Make In India', 'MUDRA' etc. 'Start Up India' is a great opportunity for the Indian ventures. With government going full hog on developing entrepreneurs, it could arrest brain drain and provide an environment to improve availability of local talents for hiring by entrepreneurial ventures.

In spite of blooming start up ecosystem, the entrepreneurial ventures has to face a lot of challenges ranging from finance to human resource and from launch to sustaining the growth with tenacity. Being a country with large population, the plethora of opportunities available for entrepreneurial ventures are many. They can deal with a variety of products and services ranging from food, retail and hygiene to solar and IT application for meeting day to day needs and which could be provided at affordable prices too. But its not easy. There are many challenges faced by the entrepreneurial ventures while starting out.

A. DEFINITION- An entrepreneurial venture could be defined as a creation and running of a new business, regardless of its size, product, service, potential, a firm or ownership. In other words, it is a young entrepreneurial, scalable business model built on technology and innovation wherein the founders develop a product or service for which they foresee demand through disruption of existing or by creating entirely a new market.

B. OBJECTIVES OF THE STUDY-

- * To examine the various issues and challenges of entrepreneurial ventures in today's scenario.
- * To analyse the growth and opportunities of entrepreneurial ventures in India and how it contributes to our growing economy.
- * To identify various government initiatives for providing a platform for the consistent growth of entrepreneurial ventures.

C. LIMITATION OF THE STUDY-

- * The study has been conducted only by collecting the secondary data.
- * This paper discusses few issues and challenges that an Indian entrepreneurial venture has to face and opportunities that the country can provide in the current eco-system.
- * Focus of the study is on entrepreneurial venture's importance towards the growing Indian economy and also provides



few suggestions to meet the challenges faced by the entrepreneurial venture .

RESEARCH METHODOLOGY- The methodology of research includes publication research , surveys, reports and other research techniques and include recent informations. Only secondary data is used for this paper which has been collected from various articles, journals, books , websites etc. This has been used to study the recent challenges faced by the entrepreneurial venture, its importance towards the growing Indian economy and few suggestions to meet the challenges.

VISION OF ENTREPRENEURIAL VENTURE-

- * Entrepreneurial venture will boost up entrepreneurship and economic development.
- * It will increase the employment opportunities and sort out the brain drain.
- * Entrepreneurial venture will provide numerous opportunities for growth and self development .
- * It will promote innovation.
- * Technology Transfer.
- * Development of Community .
- * Rapid economic growth .

TODAY'S ISSUES AND CHALLENGES OF ENTREPRENEURIAL VENTURE IN INDIA- With the Indian Government launching various schemes to promote entrepreneurial venture in India, local businesses have been mushrooming all over the country with many Start Ups making huge impact in the past few years . But it is not easy. They are many problems faced by entrepreneurs.

While companies like Paytm and Flipkart are an example of what a startup could achieve in a few short years . There are certain challenges that almost all entrepreneur face while starting out.

(1) Financial and cash flow Management :- Getting one's business funded is one of the main issues that all business face and has to tackle in order to survive. Besides that ,a steady flow of cash is required and business also need to have extra funds to take care of rainy and in - between days.

In India, entrepreneurs mostly borrow funds from family and friends and run a one man show. A recent report paints a gloomy picture with 85% of new company's reportedly unfunded indicating potential failure.

(2) Hiring Employees and Team Building :- To choose a perfect candidate that not only fits one's budget but is also proficient at the work he /she has been hired for , is a big challenge for the young entrepreneur. In reality, entrepreneurs dread job interviews than the prospective candidates as it is usually very time - consuming.

Picking the right combination team for an entrepreneurial venture is equally stressful as the entrepreneur has no idea how the team will work together even if the candidates are right on paper and efficiently working alone or on their own .

(3) Dealing with the unknown and self doubt :- Every Entrepreneur often doubt and question to themselves if their business will work, be profitable and survive in future with time. They also doubt if their product will work and if the customers will accept them. This becomes a big challenge for the entrepreneur and he/she has to cope up with it .

There are many unknown factors and many of entrepreneur's long -term plans often remains in flux because of the new developments that take place very often .

(4) Decision Making :- One of the hardest and most stressful problems faced by entrepreneurs is decision making. Entrepreneurs has to take hundred of decisions a day, big or small , without questioning themselves and they often face decision fatigue.

(5) Facing Criticism :- One of the constant problems faced by entrepreneurs is criticism . Be it about their business idea , small failures in business decision making or starting a business.

Even big entrepreneurs like Ratan Tata and NR Narayana Murthy have faced criticism and still face them.

(6) Finding Customers :- It's really hard to attract customers for any entrepreneurial venture that is starting out . This problem always play on entrepreneur's mind and the fact that people tend to stick with well- known brands they are familiar will make it harder for them to sell their products.

(7) Time Management :- Time Management is the biggest problem faced by multi tasking entrepreneurs , who often fall short of time while accomplishing their objectives .

He /She has to accomplish a lot in limited amount of time and thus is always running from pillars to post to care of things .

(8) Delegation Of Tasks :- The successful delegation comprises of building the right process apart from providing the resources and authority required for its enactment . However , finding the right resources and choosing the delegation drive can be a very complicated task.



(9) Choosing The Product :- Entrepreneur are often unsure about the products and services they wish to sell. However, it is imperative to take the right pick which can determine the ultimate success and failure in a competitive scenario.

(10) Regulation :- Starting a business also needs a number of permission from government agencies . It is a challenge to register a company and meeting all the required formalities for the aforesaid .

(11) Lack Of Mentorship :- Lack of proper guidance and mentorship is also a big problem that exist in the Indian entrepreneurial ventures. Many ventures have brilliant ideas or products, but have no experience to get the product to the market . Lack of adequate guidance is a big challenge which could bring a potentially good idea to an end .

OPPORTUNITIES FOR ENTREPRENEURIAL VENTURES IN INDIA :-

(1) India 's Large Population :- India's large population is a big asset for the country. The unique demographic advantage offers a great opportunity to entrepreneurial venture .

(2) Change In Mind Set Of Working Class :- Talented people in India are now attracted towards setting their own entrepreneurial venture. Also , many executives are quitting their jobs to start their own venture . Even 'Entrepreneurship ' as a subject has been added to curriculum of universities and colleges , which is also influencing the young generation towards establishing their own venture .

(3) Huge Investments In Start Ups :- Huge investment in Indian Start Up from foreign and Indian investors is taking place ,which in return is promoting entrepreneurial ventures .

GOVERNMENT INITIATIVES FOR PROMOTING ENTREPRENEURIAL VENTURES IN INDIA- The Indian Government is increasingly showing great enthusiasm to increase the GDP rate of growth from grass root levels with the introduction of liberal policies and initiatives for entrepreneurs. Some of the schemes are mentioned as under :-

(1) Start Up India :- It is a flagship initiative of the Government of India , intended to catalyse start up culture and build a strong and inclusive ecosystem for innovation and entrepreneurship in India.

(2) Mudra Yojna :- Through this scheme, entrepreneurial venture gets loans from banks to set up , grow and stabilize their business .

(3) SETU (Self - Employment and Talent Utilization) Fund:- Government has allotted Rs 1,000 Cr. In order to create opportunities for self -employment and new jobs mainly in technology - driven domains .

(4) E-Biz Portal :- Government launched e-biz portal that integrates 14 regulatory permissions and licences at one source to enable faster clearances and improve the ease of doing business in India .

(5) Royalty Tax :- Indian government has reduced the royalty tax paid by business and start up firms from 25 percent to 10 percent .

SUGGESTIONS TO OVERCOME THE CHALLENGES OF ENTREPRENEURIAL VENTURE-

- * Proper planning and budgeting can be of great assistance in maintaining proper cash flow.
- * Entrepreneurs can improve their cash flow by demanding a down payment for services and product provided.
- * Time management problem could be tackled by creating a goal list broken down into annual, monthly , and even weekly objectives .
- * In order to tackle the problem of Human capital a " walk in interview " could be conducted for acclimatizing candidates with the working environment .
- * Candidates applying for the job could be enquired about their experiences , expectations , dedications as well as long -term goals during the screening process so that suitable candidate is selected for the job.
- * To deal with unknown and self doubt challenges, entrepreneur should follow and promote work relaxation , and instead of getting discouraged, motivate oneself.
- * Entrepreneur should identify their goals, weigh their options, consider the consequences , make the decision and evaluate it before giving it a nod.
- * In order to handle criticism , Entrepreneur need to look at genuine criticism, evaluate and fix it so that they do not face it again . They need to put aside 'unhelpful comments' and 'advice' and use the genuine one to take one's business further.
- * Entrepreneurial venture need to provide a high quality product at a much cheaper rate than their rivals . This would not only help to attract new customers but also retain them who will become loyal to them over time .

CONCLUSIONS- The knowledge- based economy of modern India fosters a culture of entrepreneurship and innovation. The unique demographic advantage of India also assists it in raising entrepreneurs and creating jobs which can benefit the entire nation. With the Indian government launching various schemes to promote entrepreneurial ventures in India,



local businesses have been mushrooming all over the country with many ventures and start ups making huge impact in the past few years .

But it's not easy . There are abundant problems faced by entrepreneur which needs to be handled . The super competitive business world brings many challenges to entrepreneurs.

Every successful entrepreneur has to picture out the challenges that could possibly affect the business, anticipates the prospective market situations and work to minimize the costs while maximizing profits. In spite of challenges and problems that entrepreneurial venture are facing , Indian market provides , plethora of opportunities to find solutions tailored to solve them.

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