



Dr Chukka Kondaiah, Ph.D

Start Up India

How Effectively Can Be Implemented?

A new era has been opened up in encouraging new generation Indian entrepreneurs with the announcement of Start-Up India by the Prime Minister on 16th January 2016. Many young boys and girls are dreaming to become entrepreneurs! A very good initiative Indeed!

At this juncture, it is appropriate to recall the great experiment done at National Institute for MSME (earlier, Small Industry Extension Training Institute) in early 1960s. The experiment unveiled the credo, "Entrepreneurs are not necessarily born, but can be developed". That was a path breaking experiment in the field of entrepreneurship, and also an eye-opener for many organisations to execute the training programmes. Here, training is a very suitable interventionary system to stimulate dormant entrepreneurial traits within the individuals to become successful start ups. That is how entrepreneurship development training programmes started in the country during 1970s. A plethora of organisations have sprung up in the country for organising EDPs that have transformed job seekers into providers. In the process, our country has accumulated variety of experiences on start up entrepreneurs and entrepreneurship development process, and some of these even shared to many developing nations across the globe.

A Process

Entrepreneurship is a process where entrepreneur is one of the ingredients, besides credit, Market, Technology, Infrastructure, relevant information, skilled manpower and so on.

The research studies show that not all persons in the society possess

entrepreneurial behaviour, even latent. For that matter, many factors influence on the individuals to become entrepreneurial or intrapreneurial. To start with, an individual behaviour is moulded in the family as a social institution at an early age. Later, neighbourhood, education system and peer groups have their own influence in nurturing entrepreneurial behaviour within the individuals.

In a country like ours, choosing a right career is a great challenge. When non-entrepreneurs are entering into enterprise creation, such efforts may not be successful and that is proved in many cases. Conversely, a person having entrepreneurial skills entering into a job could be a locked up his/her potential skills, and hence no creation of employment and wealth to the community. By nature one always looks for a risk-free career. But here is a very important entrepreneurial quality that has to be developed by an entrepreneur is calculated risk taking. We need to produce our boys and girls to imbibe required entrepreneurial behaviour traits through our education and training systems. In this background, we may consider seriously to think the following aspects that would stimulate and accelerate Start Up India:

1. Integrating entrepreneurship into education system

A recent study by Indian School of Business (ISB) revealed that entrepreneurship curriculum in the educational system (at least from plus two level) would enhance the entrepreneurial skills among the students. If not emerge as an entrepreneur, s/he will be a part of effective human resource. The entrepreneurship course is being



widely taught in US and other OECD countries. Our dream of creating 10 million jobs for our youth who are entering into our workforce every year can be realised through creation of new set of enterprises by start up entrepreneurs.

2. Access to easy, adequate and timely credit

Over a period of time, this has become very complicated and attracted uncontrolled debates in many fora. Now it is high time to relook into the present financial schemes that are amenable to needy entrepreneurs. An amount of 10,000 crores announced by the Prime Minister to start ups can be made easily accessible to 'worthy entrepreneurs' by using appropriate scrutiny using technology.

3. Alumni of IIMs, IITs, Central Universities and other National Reputed Institutions are the potential source for creating start ups.

Not only students presently undergoing various courses, also alumni students of last 3-4 years can be more prospective in creation of start ups as they may possess some real experience of enterprise building. In USA alumni

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of MIT created 25000 start up companies and employed 3.3 million people and generated worldwide sales of \$ 2 trillion (2009).

4. Suitable Infrastructure

Acquiring a suitable location with all infrastructure facilities has been a challenge for first generation entrepreneurs. In recent years, the schemes like cluster and infrastructure development of Central Ministries of Government of India could enable to offer new industrial zones/parks, which definitely a motivating factor for start ups. New start up parks are required to be developed at convenient locations to boost the promotion of new enterprises in all States of the country.

5. Domestic and Export Market Source

Stiff competition in the domestic market with China products could be a great challenge for start ups in India. There may be several factors to deal with this issue - quality, pricing structure, packaging, transport and consumer satisfaction. The Government and other agencies need to prepare a scheme to assist for marketing and distribution channels of the products of the start-ups.

Similarly, those products which are deserved to be exported must have created channels in other countries. Global Value Chains (GVC), experience of OECD countries may be adopted in India to assist start ups in the export marketing.

6. Skilled Man Power

Our country is facing acute short of trained skilled manpower. Only 2.3% of our work force has received formal skill training to improve productivity

as compared to UK 68%, Germany 51%, Japan 80%, South Korea 96% and USA 52%. Thanks to the efforts of Govt. of India to improve our trained skilled workforce that would support start-ups.

7. Comparable Quality and Standardisation

Entrepreneurial consciousness on quality standards is still low because of several factors. It may be a gradual process to handhold the start-ups to have a quality and subsequent procedures. The implications of Intellectual Property Rights (IPR) can widely be known to new entrepreneurs and help them to acquire the relevant standards to their products. Centres of IPRs may be created to handhold the new entrepreneurs to empower them to protect their indigenous and uniqueness of their enterprise.

8. High need for Creativity and Innovation

Under globalisation, enterprises have been forced to go for innovating many aspects of enterprise products, marketing, packaging and so on. This continuous innovation will lead to sustenance of enterprise in the global competitiveness.

9. Relevant Information Access

Right information at right time will help the new enterprise to reduce cost, improve quality, explore marketing channels and engaging effective human resource. Relevant information shall

be available to new entrepreneurs through setting up of Information Centres with modern communication technology in public, private colleges and universities.

10. Linkages with large Industry

Large industry shall have a MSME partners for supplying and distribution, and thus would promote win-win situation. Start-ups would inevitably benefit in further stabilisation, increase production, upgrading technology, human capital and access information. Government shall promote cooperation with upstream and downstream partners for promotion of start-ups.

11. Requirement of Social Entrepreneurs

It is equally important to encourage social entrepreneurs who will in turn participate welfare activities for under privileged groups, women and physically challenged youth of the country. In this respect, the scheme of Corporate Social Responsibility (CSR) can be tagged to encourage social entrepreneurs.

Some of the above suggestions may facilitate for making Start Up schemes more successful for encouraging youth of the country.

(Dr Chukka Kondaiah, is Officer on Special Duty, Industries, Government of Andhra Pradesh and Ex-Director General, National Institute for MSMEs, Hyderabad. He can be reached to chukka@gmail.com)