ENTREPRENEURSHIP, ECONOMIC GROWTH AND INCLUSIVE ENTREPRENEURSHIP POLICY INITIATIVES OF GOVERNMENT OF INDIA

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ABSTRACT

In the competitive era of diminishing job opportunities in all the sectors. The need of the hour is to find viable opportunities in the self-employment & scope of entrepreneurship to achieve the said goal. The present paper analyzes the role and importance of women entrepreneurship & the contribution of women entrepreneurial endeavors’ in economic growth of the nation. The understanding of the initiatives of Government of India undertaken towards inclusive entrepreneurship are also studied.

INTRODUCTION

Entrepreneurs shape the economic destiny of nations by creating wealth and employment, offering product & services and generating taxes for Govt. as well. Entrepreneurs are believed to convert ideas into economic wealth, growth and opportunities. Thus the Governments across nations are striving for the competent group of Entrepreneurs in the countries to fasten the economic growth of the country.

Many studies have also suggested that there is a strong relationship between the level of entrepreneurial activities in a region or a country & its rate of economic growth (carrée & thwirk, 1998 and 2002). The Global entrepreneurship Monitor (GEM) in its report of 2002 also suggests that there is no country that has high levels of entrepreneurship & low levels of economic growth. In the Indian context also in a study by Awasti et. al (2006) found a similar trend on the basis of a cross section of data for 17 Major States of the country, a positive impact of the index of entrepreneurship on per capita income of the country.

The Developed nations have been successful in producing/facilitating such group of people, which are instrumental in bringing economic stability in the country which in return is instrumental in creating stable governments as well. Most of the developing nations suffer from dearth of such Entrepreneurs because of which such nations are poor despite their rich resource endowments.

The role of entrepreneurship is not confined only to creation of enterprises, but also includes creation of capacity to produce wealth, Jobs & income, which are most direct indicators of economic development. The under development is not because of the lack of natural resources but because of the absence or inadequate supply of entrepreneur. If only natural resources were the key determinants of economic growth the entire African continent would have been developed and within India, states like Assam, Bihar, Madhya Pradesh,
Orissa etc. would have been leading the growth trajectory of the country. In fact, economic growth is the outcome of entrepreneurial endeavors. They pool together and organize various factors of productions. They explore opportunities, convert ideas into viable propositions leading to provision of new products and services to society. They change the way we live.

Having understood the need & importance of entrepreneurship, it can be inadvertently stated that our country needs opportunity & innovation driven entrepreneurs. But the question arises from where this group of people (entrepreneur) comes from or also whose responsibility is it to groom and identify such people. The answer probably is, it is policy makers, society, family educational institutes, R&D institutes & various other allied departments which foster entrepreneurial skills etc. are responsible for identifying and grooming such people. India is committed towards bringing in & inculcating in the society entrepreneurial temper in the society. The spirit of entrepreneurship is inculcated in the society through multiform techniques /institutions/procedures.

The present study is an attempt to analyze the inclusive entrepreneurial development policy initiatives of the Government of India, under the aegis of National Entrepreneurial policy. Besides that an understanding about the S&T initiatives undertaken by the policy makers to foster entrepreneurship (especially amongst women) is also studied.

**METHODOLOGY**

In the present paper inferences are drawn about following.

1. Inclusive entrepreneurial policies/initiatives Government of India (specifically targeted for women entrepreneurs).


Entrepreneurship is a social phenomenon and which is not inherent within a person, it reflects the ray of hope for the unemployed to earn a livelihood and maintain a dignified life and also for economic development of the country. India’s vision of emerging as a superpower by 2020 will pivot momentously on entrepreneurial shoulders. Theoretically entrepreneurship refers to an act of setting up a new business or reviving business so as to take advantage from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and new services. In reality it is an attitude to create something new and an activity which creates value in the entire socio-eco system. It is a psyche-make up of a person. It is a state of mind which develops naturally based on his/her surrounding and experiences, which makes him/her think about life & career in a given way.

**WOMEN ENTREPRENEURSHIP**

Empirical evidence shows that women contribute significantly to the running of family business mostly in the form of unpaid effort and skills. The value of this effort is under estimated both by the families and is limited just to the academic studies only. Women entrepreneurship is an important contributor in economic development, wealth creation and innovation around the world (Diana Project, 2005). The size & growth of this phenomenon has attracted significant attention from academicians, practitioners & policy makers. Having
understood the importance of women entrepreneurs in the global economy it should be expected that there is a high representation in the ownership and management of the business enterprises. On the contrary figures do not authenticate the same. The US bureau of census reports only 38% of the business units in US were owned by women in 1999. The comparative figures of India in a third “All India census of small scale Industries” conducted in 2001-02 & in the subsequent estimates reflect only 10.11% of the micro & small enterprises in India are owned by women, while only 9.46% of MSE enterprises were managed by women. As per 2006-07 then estimated number is 12.99 lacs women owned enterprise & 12.15 lacs women managed enterprise. By 2003 women were clearly recognized as a driving force in an economy, whether measured by number of business owned or managed, the revenues generated or by the number of people employed. All the countries around the world including India indicate similar numbers emphasizing the importance of these women and the business they start in a variety of Geographic situations. Unfortunately, the research and dissemination of information about female entrepreneurship lags their growth & impact worldwide. The academic attention to the phenomenon also remains fragmented & limited. In the past decade the women entrepreneurship has made a notable progress and relevant body of knowledge is being developed. Significant advances have been made in understanding women entrepreneurs and their business. The present study is an attempt to contribute in the given emerging field of knowledge.

NATIONAL ENTREPRENEURIAL POLICY OF INDIA

(Efforts towards technology driven innovative entrepreneurship and towards fostering inclusive entrepreneurship.)

The Government of India both in spirit and practice is committed towards making India a front ranking entrepreneurial. Both vision & mission statements reflect the same:

VISION

To place India in the comity of front ranking entrepreneurial & innovative nations.

MISSION STATEMENT OF NATIONAL ENTREPRENEURIAL POLICY OF INDIA

“To create an ecosystem in India wherein opportunity based and innovative entrepreneurship germinates, sustains and grows leading to create a more dynamic and entrepreneurial economy”

INCLUSIVE ENTREPRENEURSHIP

The overall objective of the entrepreneurial policy is to create conductive conditions that create opportunity driven entrepreneurs. “The policy document specifically focuses on meeting the needs of under represented target group. The inclusive entrepreneurship’ is promoted by bringing women, minority, communities, SC & ST and other under privileged groups within the ambit of policy so that they get their fair share in the Government efforts to promote entrepreneurship. Provisioning business development services and business counselling of these target groups will be ensured given its importance in promoting & maturing entrepreneurs based on these broad strategies, specific policy instruments have been created to achieve the said goals.
POLICY INSTRUMENT FOR FOSTERING INCLUSIVE EDUCATION

The ownership data from the 4th census of micro, small and medium enterprises conducted by the office of the Development Commissioner-MSME’s Government of India clearly shows that despite almost 50% of their share in population, women contributes for only 7.36% of the ownership of MSME’s in India. Government realizes that under-development of these communities and regions is primarily because of the uneven Development of entrepreneurship that has led to their entrepreneurial alienation. To achieve the goal of inclusive entrepreneurship development, the Government will address reasons behind under representation in these segments which include providing access to information, credit market binbages & managerial competencies, as a comprehensive package. A special effort is made to involve national & state agencies engaged in helping disadvantaged and marginalized groups of populations to improve their lot.

THE AGENCIES INVOLVED ARE

- National Backward Classes Finance Development Corporation (NBCFDC)
- National DSC & ST Finance and Development Corporation, National Safai Karamcharies, Finance & Development Corporation (NSFDC)
- National Handicapped finance Development Corporation (NMFDC)
- Rashtriya Mahila Kosh (RMK)
- State women economic Development Corporations (WEDC’s) etc, in proactively promoting entrepreneurship among their target communities.

SUMMARY

Entrepreneurship is recognized as a life line for the economic growth of the country. In principle both in theory and practice, the entrepreneurial temper has to be inculcated and infused among the masses. Since, both men & women are equal partners in all walks of life especially in the economic development (as reinitiated in many studies). It is therefore very important that special efforts are made for promoting women entrepreneurship. The Analysis of the policy document of Government of India & the schemes favouring women entrepreneurship both are in line with the said principle. Despite strong policy backup the less number of women entrepreneurs in the country is a cause worth probing, the future researches need to focus in the said direction i.e probably in the implementation process.

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