

ROLE OF EDUCATIONAL INSTITUTES IN ENTREPRENEURSHIP DEVELOPMENT

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The Indian economy needs emergence of new, innovative and enthusiastic entrepreneurs and education is an important factor in developing entrepreneurial competencies in individuals. India is a young country with average of about 63 per cent population currently being in the working age group of 15 to 59 years. Studies have found that entrepreneurship prevalence rates are highest in the 25-34 age groups. But this advantage could become a barrier if the youth is not able to develop the appropriate skills including entrepreneurial skills. The educational institutes have a major role to play in this.

After 1991, when India opened its economy to the world a greater emphasis have been laid down upon the entrepreneurship. Attempts at various levels have been made to promote entrepreneurship among individuals. Unfortunately, the education system prevailing in India prepares individuals to seek for traditional employment rather than instilling the confidence to do something that one likes. It is important to note that the curriculum in universities is designed such that it results in an individual as a job seeker and not job provider. Universities need to differentiate between their related business and entrepreneurial courses. Entrepreneurship is the need of hour and educational institutions play a vital role to fuel entrepreneurship in the youth.

This paper aims at explaining the importance of entrepreneurial education and early motivation of potential entrepreneurs and challenges faced by the entrepreneurs. This paper tries to explain the role of educational institutions in developing and nurturing the entrepreneurial competencies in the youth. It also discusses the steps taken towards the promotion of entrepreneurial education.

KEYWORDS : *Entrepreneurship, educational institutions, B-schools*

INTRODUCTION

Entrepreneurship is set of activities undertaken by an individual in order to bring together various resources and ideas and combine them to process a commercially acceptable product. In simple words entrepreneurship is the process of changing ones idea into a successful business venture.

Entrepreneurs are an important resource to a country. They create employments. According to TiE (The Indus Entrepreneurs, a non-profit organization, promoting entrepreneurship, www.tie.org), each entrepreneur creates 30 jobs. They help in offering new products and services, and generating taxes for governments. They drive the country towards economic growth.

Nearly 60% Indians possess strong entrepreneurial qualities like optimism, business-mindedness, persistence. But very few starts new businesses (Gallup 2013) some of the reasons for which include bureaucratic potholes, poor infrastructure, right type of funding, personal risks , cultural barriers. Moreover educational system in India is held within rigid boundaries which prepare students to take up traditional employment rather than instilling the confidence to do something that one likes. Also, Gallup's recent study found that only about 22% of aspiring entrepreneurs have the adequate access to training. Another study found that more than 80 per cent of the students in the developed nations learn at least a skill or a trade before they turn 14 years of age. But, it was only 4 per cent in India.

All these reason lays more emphasis on the role of educational institutions towards the development of entrepreneurial abilities in individuals.

ENTREPRENEURSHIP EDUCATION IN INDIA

Entrepreneurship education is an important factor in determining and developing entrepreneurial qualities in individuals. The entrepreneurial education in India post independence was a result of government focusing to design the measures for encouraging self employment and founding small and medium enterprises. As the economy transitioned from being primarily agrarian into one that has significant contribution from other sectors, it was felt that the most pressing requirement was education that would enable need-based entrepreneurs to make forays into these emerging sectors. Consequently, in the 1960s and 70s,

entrepreneurship education was almost exclusively delivered in the form of training programs, offered by institutions under the aegis of State and Central Governments, and by financial institutions receiving support from the Government. Some of these institutions include.

- Training and counseling institutions (NISNET, SISI, TCOs, EDI)
- Financial institutions like SBI, IDBI, TDICI, RCTC, etc.
- Development boards (STEPs, EDCs, TBIs)

But it was not until post liberalization phase in India after 1991 when the country not just saw the potential of entrepreneurship as an employment generator but also as a means of economic growth and wealth creation. By the end of 90's entrepreneurs viewed great success of Indian firms particularly in IT sectors. This encouraged several institutions, NGO's, B-schools, industrial units and consultancies to strengthen the entrepreneurial ecosystem in the country and to establish the mode of education which was not based only on training. Some of these include

- NIESBUD
- NSTEDB
- TiE (The Indus Entrepreneurs)
- NEN

Entrepreneurship education is still at nascent stage in India, according to surveys in 2010, there were some 1,500 students getting Entrepreneurship education from the institutions that are solely into Entrepreneurship education, while 4,700 students had enrolled to entrepreneurship programs at various business schools and institutions across India, which increased to 44,500 students enrolled to such programs.

Many top business schools in the country such as IIMs, XLRI and SP Jain Institute of Management offer specific programs in Entrepreneurship. IIM-Ahmadabad's Centre for Innovation, Incubation and Entrepreneurship has short and long term programs.

The NS Raghavan Centre for Entrepreneurial Learning in IIM-Bangalore has a management program designed for entrepreneurs and family businesses. They also have tie-ups with Babson College in Massachusetts, known for their entrepreneurship options and the London School of Business, known for their global entrepreneurship program. IIM-Calcutta has international collaboration with Yale University's entrepreneurship program for innovation. The Narsee Monjee Institute of Management Studies (NMIMS) in Mumbai offers a two-year course on family business management tailored to groom individuals who are taking over a family-owned business. The Indian School of Business (ISB) in Hyderabad offers executive management and post graduate programs in entrepreneurship education.

ROLE OF EDUCATIONAL INSTITUTES IN ENTREPRENEURSHIP DEVELOPMENT

Education is of paramount for an individual who wants to bring his idea successfully into the market. And educational institutes can help these individual in nurturing and developing necessary skills and competencies. These Institutions provide guidance, allow for routines to develop and ultimately reduce the uncertainty of social interaction. The B-Schools are the most appropriate nursery of shaping and developing management graduates for entrepreneurship who possess integrity and ethical standards, a deep sense of social responsibility, a commitment to the up-liftment of their communities, understand protection and sustainability of the environment, and the improvement of the people's quality of life.

The educational institutions plays important role in development of entrepreneurial competencies through various courses, training and development programs. These may be in the form of short term or long term programs, requiring graduation or no by an individual.

Entrepreneurship is the activity driven by need for achievement of an individual and these institutions help the individuals with motivational training. Individuals are encouraged by the course structure and activity based programs by the institutions to identify, develop and sharpen their skills and competencies. Case studies of various successful entrepreneurs help them to

identify the processes and potholes in their entrepreneurial journey so that they can learn and formulate their strategies based on them. Also case studies prepared by the institutions help the individuals to link themselves and encouraged by their role models, which provides a positive motivation.

Educational institutions provide a platform for individuals to nurture their creativity and innovativeness. These play an important role both in financial and technical assistance to the individuals through guides, mentors and consultants.

Patenting ones product not only gives an individual legal protection over duplication of his product but also helps him to gain higher profit margins, reduce competition and results in bigger market share. Also it is an asset to an individual but most of the entrepreneurs fail to realize the importance of these intellectual properties. Educational institutes help individuals realize their importance and sometimes even help in the process of filing a patent for their product.

Social interaction is an important skill for a successful entrepreneur. An entrepreneur has to regularly interact with bureaucratic departments and market personals at early startups. Educational institutions impart communication skills and personality development through their various programs.

At the B-school level, the programs are developed to cater to students of all disciplines. The topics covered include new venture planning and venture creation, business strategy and formulation, innovation, leadership and management, technology management, venture capital funding, finance and operations, etc.

As part of the curriculum, business schools also create a business in-house experience for new entrepreneurs to develop their ideas into a business plan and thereby simulate the experience of working in a start-up.

The Entrepreneurship Development Institute of India (EDI), which operates under the Government of India at designated locations, offers post graduate diploma courses in business entrepreneurship, management, NGO management, etc. It also provides programs for working professionals with flexible schedules and a distance learning option for those unable to attend on-campus programs.

The National Entrepreneurship Network (NEN) designed a game called the 'Rs.50 Exercise' for the classrooms of certain schools. The students are given an initial investment amount of Rs.50. They have to work in teams and come up with ideas to start a virtual company. By the end of the day, they observe their earnings and also gain from the learning through an innovative exercise.

SUGGESTIONS

The educational institutes should design the curriculum such that they have the scope of creativity and innovation. The traditional education system prevailing in India lacks the spirit of innovation and does not provide adequate scope for entrepreneurship. Therefore there is a need to reevaluate and redesign the course curriculum of various educational institutes including primary schools so that motivation and awareness of entrepreneurship education should be provided at a very beginning stage of individual's development and thus provide immense opportunities for creativity and innovation. A broad understanding of entrepreneurship should be the strategic objective of the university, and there should be top-down support for it. Objectives of entrepreneurship education include generating entrepreneurial attitudes, behavior and skills, as well as enhancing growth entrepreneurship (both high-tech and low-tech). There should be clear incentives and rewards for entrepreneurship educators, professors and researchers, who actively support graduate entrepreneurship (mentoring, sharing of research results, etc.) so that they can contribute their maximum towards it. Recruitment and career development of academic staff should take into account entrepreneurial attitudes, behavior and experience as well as entrepreneurship support activities.

Education and training should not be only limited to the specific institutions rather it should be provided by almost every educational institute. Need for achievement is the major driver of entrepreneurial activities therefore the courses should be designed to encourage the individuals accordingly.

An entrepreneurship dedicated structure like EDC (Entrepreneurship development cells) within the university should be formed, which closely collaborates, co-ordinates and integrates faculty-internal entrepreneurship support and ensures viable cross-faculty collaboration. Facilities for business incubation must be provided in the campus or in the form of assistance offered to gain access to external facilities.

A suite of courses should be made available, which uses creative teaching methods and is tailored to the needs of undergraduate, graduate and post-graduate students. Activity based teaching methods should be employed so that individuals could learn while experimenting this is the best and the fastest way to learn. Events must be organized to enhance the creativity, innovativeness of the individual, to increase the social interaction, enhance the communication skills and develop the personality of the entrepreneurs.

CONCLUSION

The role of educational institutions in entrepreneurship development cannot be neglected as these are the breeding pools for the entrepreneurs. In India the awareness about the entrepreneurship is still low due to various factors. Individuals still prefer to seek for employment rather than starting their own venture. This is because our education system is designed such that it kills creativity and innovation. There is a great need for higher educational institutions to move away from conventional memory based learning to a system that is more focused to foster creativity and innovation

There is a need for educational institutions to realize their importance and role in entrepreneurship development. Higher education should facilitate the students to develop cross sector, multi-disciplinary skills and find innovative solutions to the problems faced by the people in the society.

In this regard some of the institutions are offering entrepreneurial education in the form of full time courses, training and development programs. Also the government has taken several measures regarding promotion and development of entrepreneurial education in India but still there is a lot to achieve in order to flush the market with new, innovative and enthusiastic entrepreneurs. And several measures should be taken both by the government and top educational institutions to support and promote entrepreneurial education at a faster pace.

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