



4DInternational Journal of IT And Commerce(ISSN:2319-194X)

VOL.4, ISSUE-1, JULY-2015

www.4dinternationaljournal.com

MAJOR CHALLENGES FACED BY EXSISTING ENTERPRENEURS IN J&K

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ABSTRACT:

The entrepreneur is commonly seen as an innovator a generator of new ideas, and business processes. Management skill and strong team building abilities are often perceived as essential leadership attributes for successful entrepreneurs. Entrepreneurship can be described as a process of action an entrepreneur undertakes to establish his enterprise. Entrepreneurship is a creative activity. It is the ability to create and build something from practically nothing. Entrepreneurship Development (ED) has, therefore, become a matter of great concern in all developing and under developed countries all over the world. It refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. Still there are so many challenges which can affect the fastest growth of these businesses. Therefore this paper is an attempt to find out the major challenges faced by existing entrepreneurs in Kashmir. This paper is divided into three parts. Part one represents introduction, research methodology and objectives of the study. Part two review the major challenges and factors affecting the existing entrepreneurs in Kashmir. The analysis in this paper is qualitative as well as quantitative. This study is based on information obtained from primary sources which includes fifty entrepreneurs which are taken from the selected cities of Kashmir names Kupwara, Anantanagh and Budgam. Final and third part includes findings and conclusion of the study.

KEY WORDS: Affecting, Challenges, entrepreneurs, Kashmir.

INTRODUCTION

The entrepreneur is commonly seen as an innovator a generator of new ideas, and business processes. Management skill and strong team building abilities are often perceived as essential leadership attributes for successful entrepreneurs. Robert B. Reich considers leadership, management ability, and team-building to be essential qualities of an entrepreneur. This concept has its origins in the work of Richard Cantillon in his *Essaisur la Nature du Commerce en General* (1755) and Jean-Baptiste Say in his *Treatise on Political Economy*. An individual who, rather than working as an employee, runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes.

Entrepreneurs play a key role in any economy. These are the people who have the skills and initiative necessary to take good new ideas to market and make the right decisions to make the idea profitable. The reward for the risks taken is the potential economic profits the

entrepreneur could earn. Entrepreneurship can be described as a process of action an entrepreneur undertakes to establish his enterprise. Entrepreneurship is a creative activity. It is the ability to create and build something from practically nothing. It is a knack of sensing opportunity where others see chaos, contradiction and confusion. Entrepreneurship is the attitude of mind to seek opportunities, take calculated risks and derive benefits by setting up a venture. It comprises of numerous activities involved in conception, creation and running an enterprise. According to Peter Drucker Entrepreneurship is defined as ‘a systematic innovation, which consists in the purposeful and organized search for changes, and it is the systematic analysis of the opportunities such changes might offer for economic and social innovation.’ Entrepreneurship is a discipline with a knowledge base theory. It is an outcome of complex socio-economic, psychological, technological, legal and other factors. It is a dynamic and risky process. It involves a fusion of capital, technology and human talent. Entrepreneurship is equally applicable to big and small businesses, to economic and non-economic activities. Different entrepreneurs might have some common traits but all of them will have some different and unique features. If we just concentrate on the entrepreneurs then there will be as many models as there are ventures and we will not be able to predict or plan, how and where, and when these entrepreneurs will start their ventures. Entrepreneurship is a process. It is not a combination of some stray incidents. It is the purposeful and organized search for change, conducted after systematic analysis of opportunities in the environment. Entrepreneurship is a philosophy- it is the way one thinks, one acts and therefore it can exist in any situation be it business or government or in the field of education, science and technology or poverty alleviation or any others.

Entrepreneurship Development (ED) has, therefore, become a matter of great concern in all developing and under developed countries all over the world. It refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. It has been rightly told that entrepreneurs are not born, they are made. Entrepreneurship does not emerge and develop of its own. Its emergence and development depends upon an environment in which entrepreneur can learn and discharge his assigned responsibility in an efficient manner. The government can also play a positive role in the emergence and development of entrepreneurship by providing training, incentives, concessions etc and by creating an environment conducive for the growth of entrepreneurship. All these help the entrepreneurs to undertake creative actions thus, entrepreneurial development is essentially a process in which persons are injected with motivational drives of achievement and insight to tackle uncertain and risky situations, especially in business enterprises. But the real problem is how to develop entrepreneurship. Entrepreneurship development programmes (EDPs) are designed and developed to offer solutions to this problem.

OBJECTIVES OF THE STUDY.

To find out the various problems faced by Entrepreneurs in J&K.

To suggest remedial measures in order to rectify such problems

RESESRCH METHODOLOGY

SAMPLE UNIT

The existing entrepreneurs of Baramulla district.

SAMPLING SIZE:

Large sample give more reliable results then small sizes. Thus it was optimum to take a sample size of 100 respondents.

TOOLS:

Open ended and close ended questionnaire has been constructed specifically for the purpose of collecting primary data.

SAMPLING PROCEDURE:

A sample is the set of respondents selected from a larger population for the purpose of survey. The power of sample surveys is their ability to obtain information from relatively few respondents to describe the characteristics of an entire population.

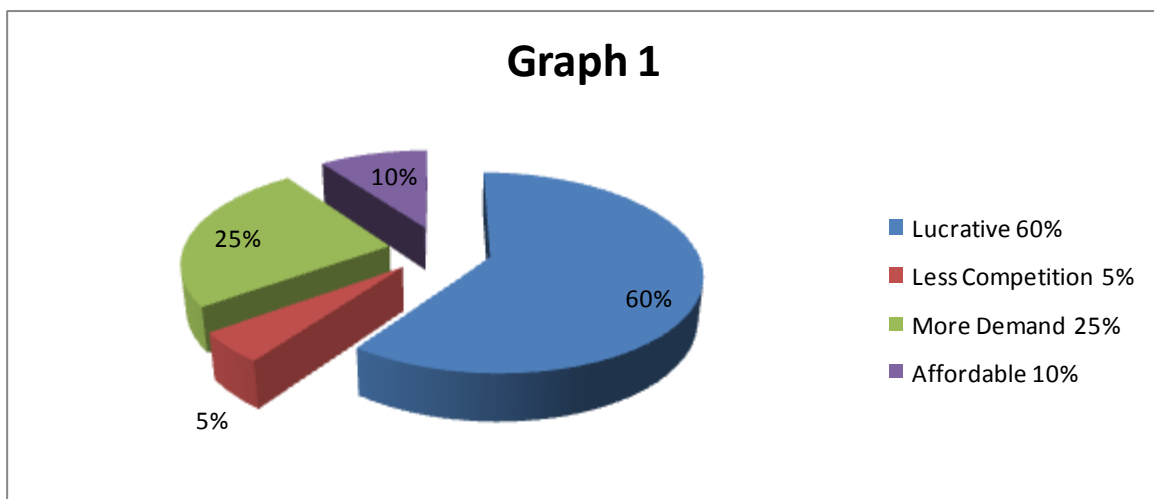
The sample size used for this study was hundred respondents. They were asked to fill out a questionnaire that was exclusively designed for the study.

STATISTICAL TECHNIQUES:

Tables have been used to tabulate the raw data. Further, a percentage has been used for generalization. Graphs and charts have been used to give a better understanding of the recorded dataial measures in order to rectify such problems

DATA ANALYSIS.

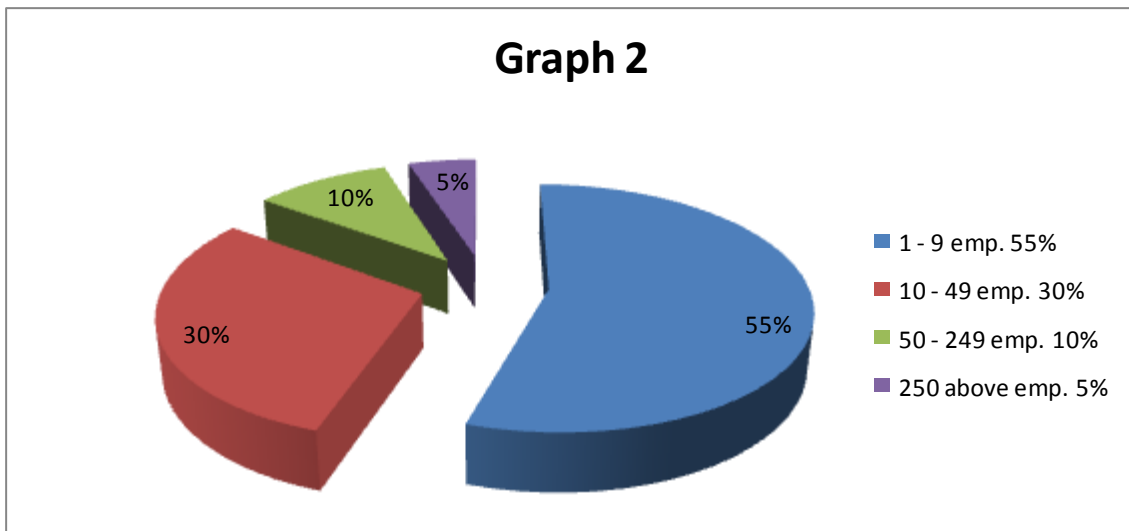
Why you started in this particular segment.



Source: Primary data

The above table and graph shows that 60% of entrepreneurs that is the majority portion of population started their business because of achieving more profits then in other segments, 5% think that there is less competition in this particular field, 25% think that there is more demand, and remaining 10% think it is affordable/easy.

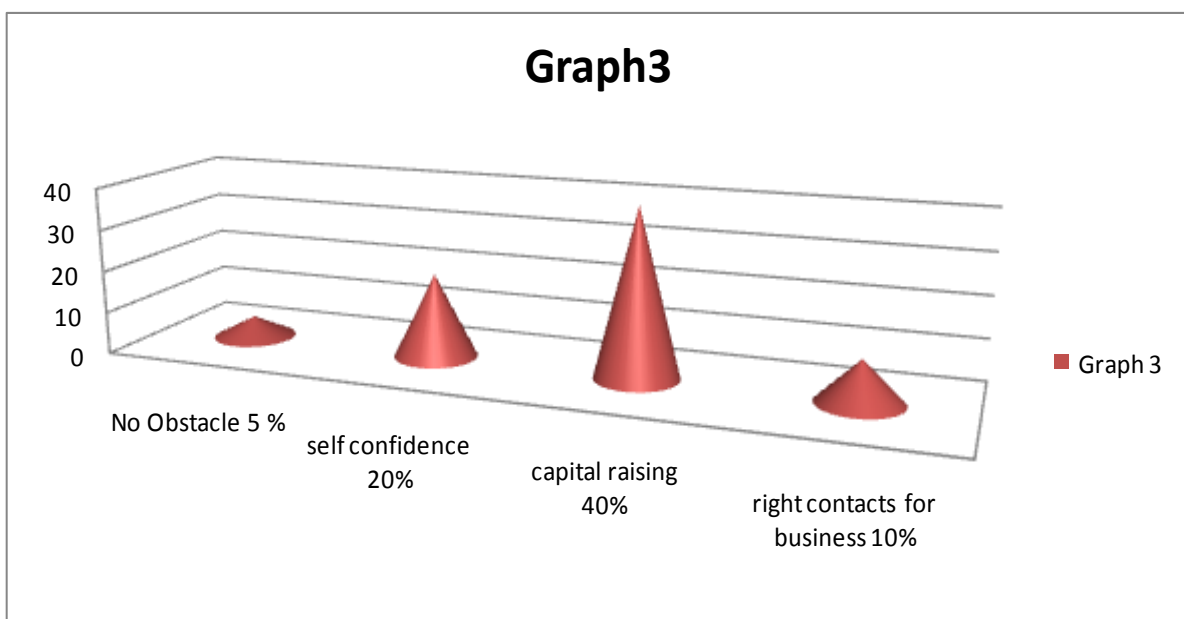
How many employees you have employed



Source: Primary Data

The above table and graph depicts that the potential of 55% entrepreneur is to employee 1- 9 employees, 30% of entrepreneurs have employed 10-49 employees, the other 10% entrepreneurs have employed 50-249 employees, and the remaining 5% of entrepreneurs have employed above 250 employees.

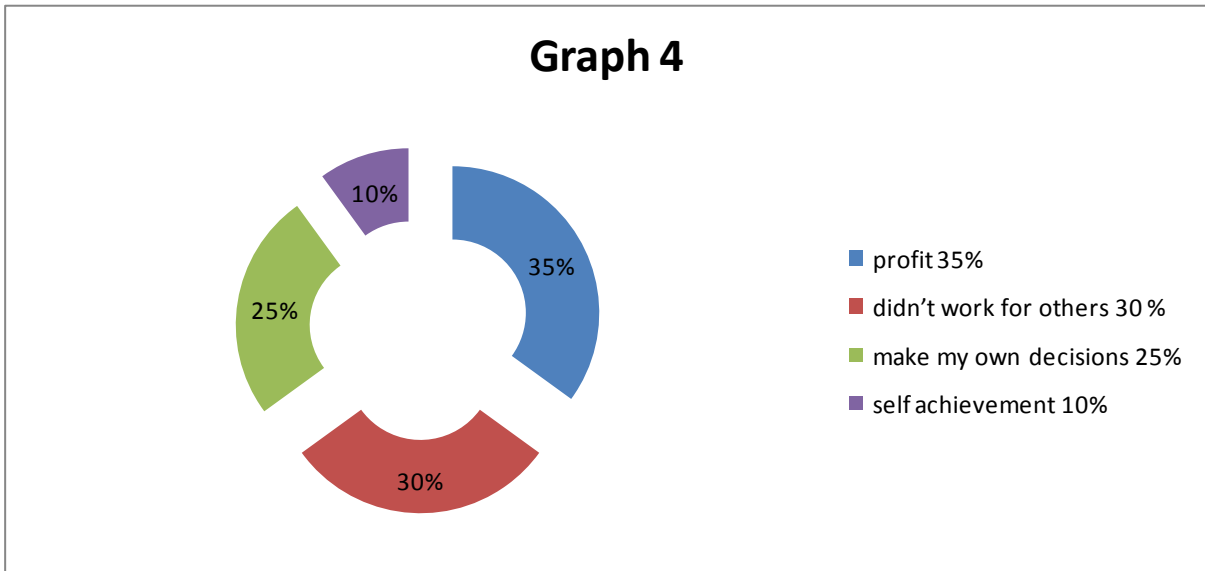
When you started your business, what were the main obstacles you faced



Source: primary data

The above table and the graphical representation shows that 5% of entrepreneurs does not face any kind of obstacles, 20% of entrepreneurs face problems because they lack their self confidence, 40% faced obstacles in raising capital finance for their business, 10% face problems because they don't have right contacts regarding business venture.

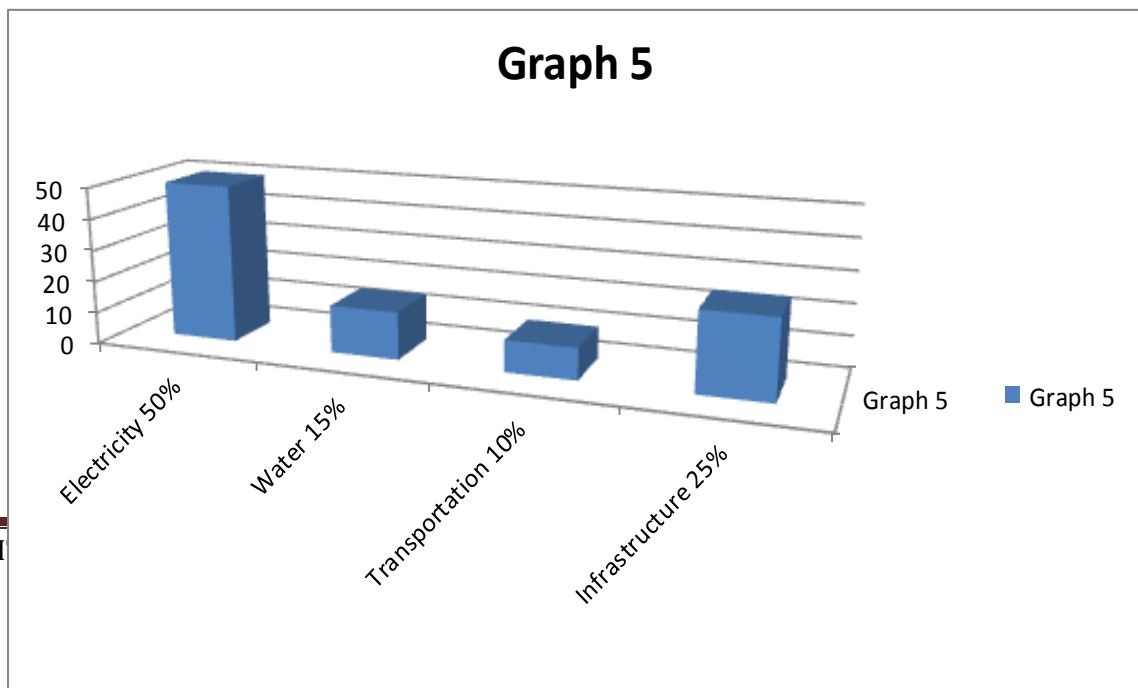
What made you start your own business



Source: primary Data

The above table and the graph shows that 35% of entrepreneurs started their business in order to earn profits, 30% of entrepreneurs don't want to work for others, 25% of entrepreneurs want to make their own decisions, and remaining 10% wants self achievements.

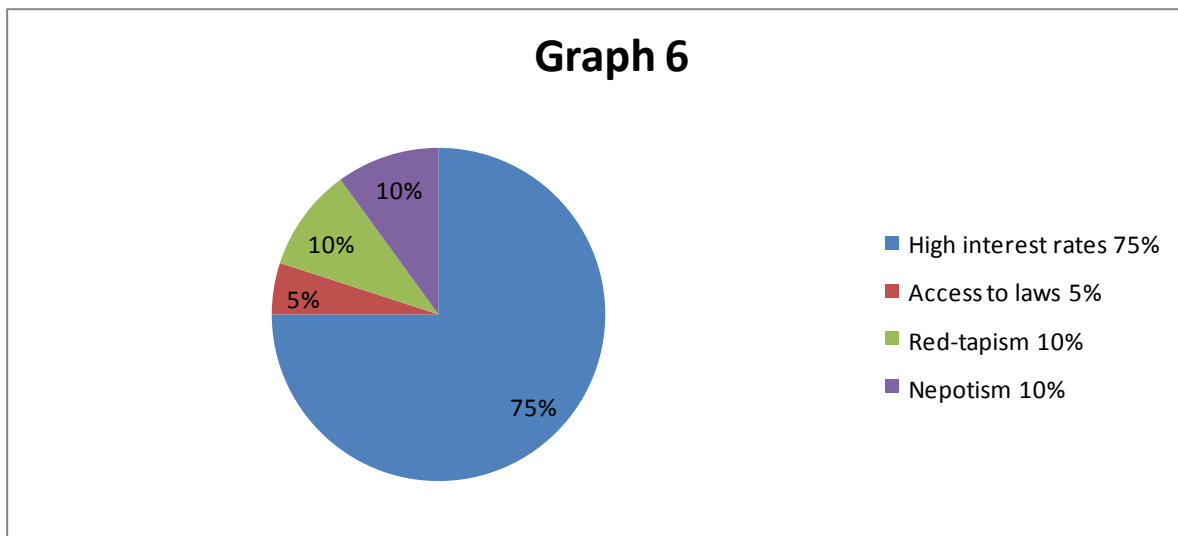
What are the main obstacles you are facing now in running your own business?



Source: primary data

The above table and graph shows that 50% of entrepreneurs are facing obstacles due to lack of electricity, 15% of them face problems due to lack of water, 10% don't have transport facilities and remaining 25% face infrastructure problems.

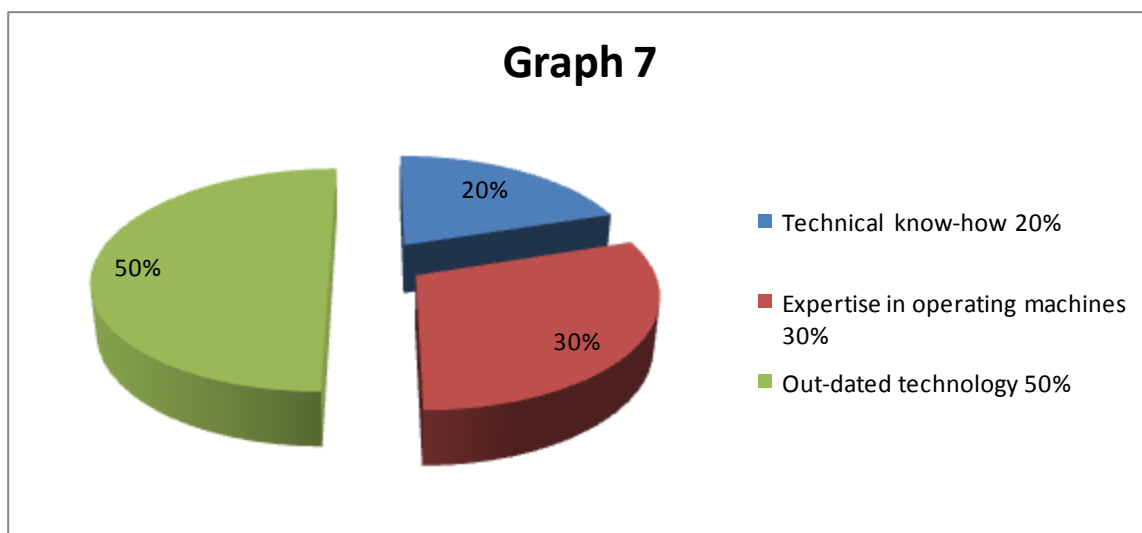
Financial Problems.



Source: primary data

The above table and graph mentions that 75% face financial problems because they have to pay high rates of interests, 5% face problems due to different laws made by govt., 10% face problems because of red-tapism, and remaining 10% face obstacles because of nepotism.

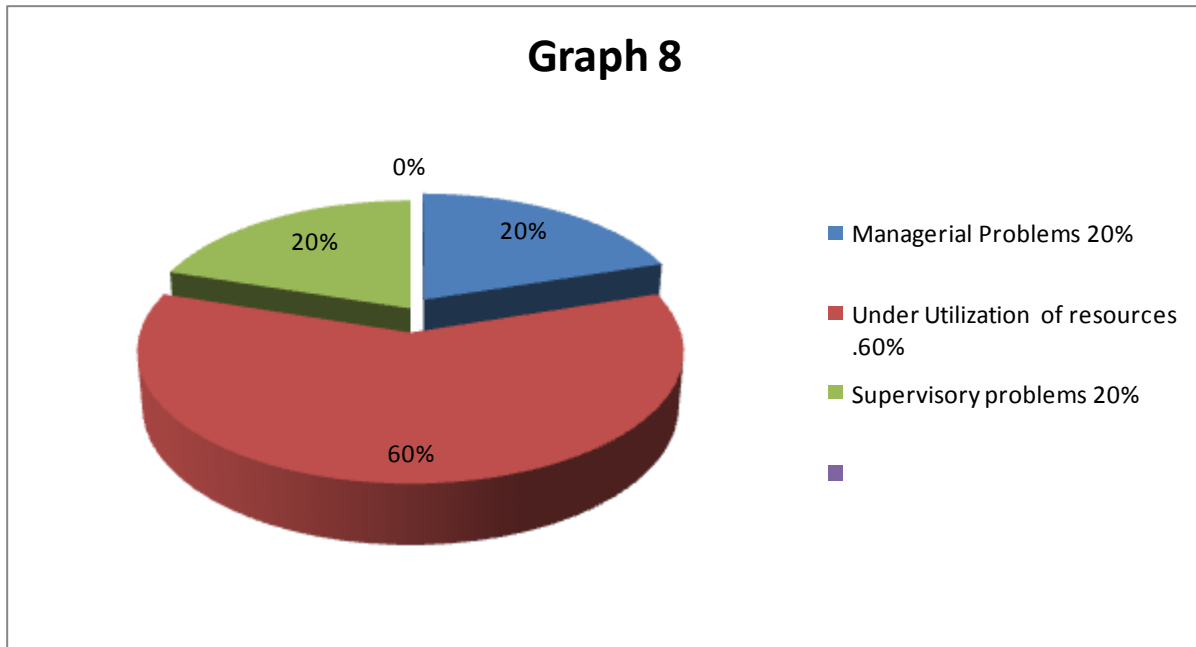
Technical problems



Source: primary data

The above table and graph shows that 50% of entrepreneurs face technical problems because of out-dated technology used, 30% of them face problems due to expertise in operating machines, and remaining 20% face technical problems due to technical know-how.

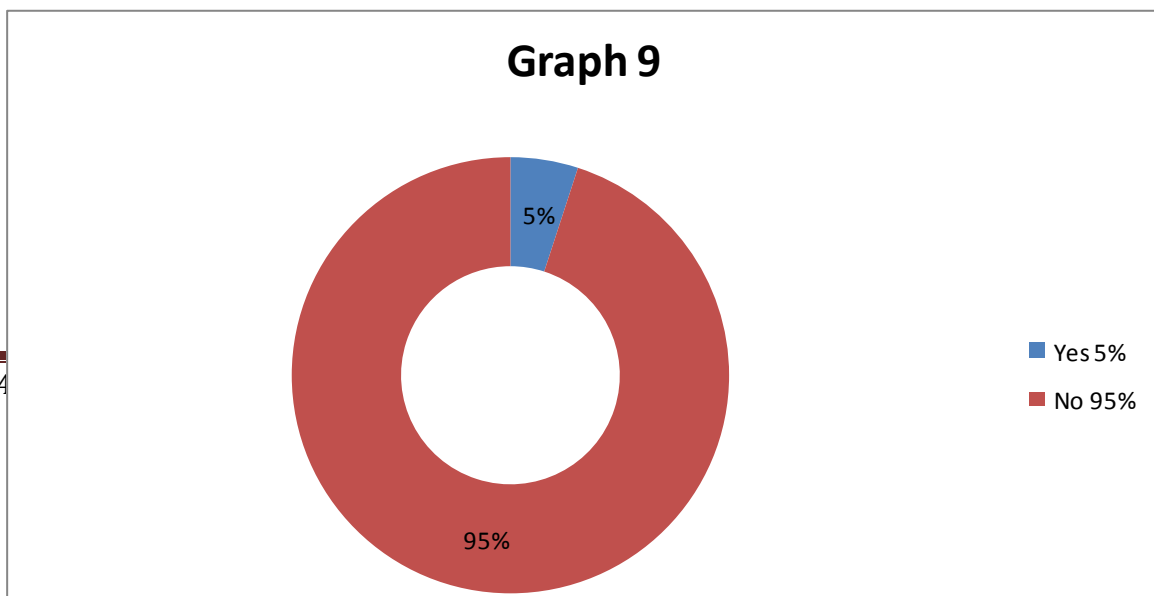
Administrative Problems.



Source: primary data

The above table and graph shows that 20% of entrepreneurs face administrative problems due to managerial problems, 60% face problems because of under utilization of resources, and remaining 20% face supervisory problems.

Do you think that the policies of government are suitable enough to attract people towards entrepreneurship?



Source: primary data

The above graph and table depicted that the majority i.e.95% of entrepreneurs are dissatisfied with the different policies of govt. towards entrepreneurship and the remaining 5% are satisfied with it, which results that Govt. is doing nothing to boost the entrepreneurship in J&K.

RESULTS AND FINDINGS

60% of entrepreneurs that is the majority portion of population started their business because of achieving more profits than in other segments,5% think that there is less competition in this particular field, 25% think that there is more demand, and remaining 10% think it is affordable/easy.

55% entrepreneur is to employee 1- 9 employees, 30% of entrepreneurs have employed 10-49 employees, the other 10% entrepreneurs have employed 50-249 employees, and the remaining 5% of entrepreneurs have employed above 250 employees.

5% of entrepreneurs does not face any kind of obstacles, 20% of entrepreneurs face problems because they lack their self confidence, 40% faced obstacles in raising capital finance for their business, 10% face problems because they don't have right contacts regarding business venture.

35% of entrepreneurs started their business in order to earn profits, 30% of entrepreneurs don't want to work for others, 25% of entrepreneurs want to make their own decisions, and remaining 10% wants self achievements.

50% of entrepreneurs are facing obstacles due to lack of electricity, 15% of them face problems due to lack of water, 10% don't have transport facilities and remaining 25% face infrastructure problems.

75% face financial problems because they have to pay high rates of interests, 5% face problems due to different laws made by govt., 10% face problems because of red-tapism, and remaining 10% face obstacles because of nepotism.

50% of entrepreneurs face technical problems because of out-dated technology used, 30% of them face problems due to expertise in operating machines, and remaining 20% face technical problems due to technical know-how.

20% of entrepreneurs face administrative problems due to managerial problems, 60% face problems because of underutilization of resources, and remaining 20% face *supervisory problems*.

CONCLUSION

PART 1

INFRASTRUCTURE PROBLEMS

Major problems faced by entrepreneurs as early stages of their businesses with regard to their business process as mentioned below, 50% of entrepreneurs are facing obstacles due to lack of electricity, 15% of them face problems due to lack of water, 10% don't have transport facilities and remaining 25% face infrastructure problems.

FINANCIAL PROBLEMS

Problems faced by entrepreneurs as with regard to their business process as mentioned below 75% face financial problems because they have to pay high rates of interests, 5% face problems due to different laws made by govt., 10% face problems because of red-tapism, and remaining 10% face obstacles because of nepotism.

TECHNICAL PROBLEMS

In this particular segment 50% of entrepreneurs face technical problems because of out-dated technology used, 30% of them face problems due to expertise in operating machines, and remaining 20% face technical problems due to technical know-how.

ADMINISTRATIVE PROBLEMS

Here 20% of entrepreneurs face administrative problems due to managerial problems, 60% face problems because of underutilization of resources, and remaining 20% face supervisory problems.

PART 2

Different suggestions are given by scholar in their study to improve entrepreneurship development in J&K as described below, Govt. should work in consideration with various issues and challenges faced by existing entrepreneurs which causes barriers to people who wants to start-up their own business. There should be easily available services maintained by the govt. as well as other financial institutions in order to avail financial assistance like seed capital, long term and short term loans on less interest rate. Families should provide potential support to their family members taking part in business world.

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