

**ENTREPRENEURSHIP'S IMPACT ON INDIA'S ECONOMIC GROWTH
- AN EVALUATION**

Dr. G.Yoganandham

Professor & Head, Department of Economics, Director – Center for Knowledge,
Thiruvalluvar University (A State University), Serkkadu, Katpadi Taluk, Vellore District
Tamil Nadu, India – 632 115.

Mr. A. Abdul Kareem

Ph.D., Research Scholar, Department of Economics, Thiruvalluvar University (A State
University), Serkkadu, Katpadi Taluk, Vellore District Tamil Nadu, India – 632 115.

Abstract

Entrepreneurship, which is the process of creating or removing value, is crucial for economic expansion. It acts as the center of the spark that starts the economy. Through making the most of available resources to generate wealth and income for the nation, entrepreneurship helps to boost the economy and rise the per individual income and the net national product of the nation. This industry consists of first-generation business owners, startups, and SMEs. With business, value can be added or taken away. Entrepreneurship improves living conditions, makes it easier to obtain goods and services, and promotes economic expansion. Due to its positive effects on capital formation, employment creation, living standards, wealth creation, per capita income, export trade, and nation-wide development, entrepreneurship has a positive impact on economic growth.

Entrepreneurship is a skill set that can be applied to both large and small companies and is a combination of money, technology, and human talent. By establishing new businesses, bringing about employment growth, and enhancing indicators like Gross Domestic Product (GDP), exports, and standard of living, it promotes economic growth. To increase local wealth, diversify the economy, promote employment growth, and broaden the tax base, economic development is an endeavor. To increase the effectiveness of the investigation, secondary data is gathered and summarized with a thorough and analytical emphasis. This research paper mainly focuses on the impact of entrepreneurship on Indian economic growth with the help of secondary sources of information and statistical data pertaining to the theme of the research article. Therefore, this study seeks to assess how entrepreneurship has impacted India's economic growth from a social, political, and economic perspective.

Keywords: Entrepreneurship, Economic Expansion, Capital Formation, Employment Creation,

Wealth Creation, Per Capita Income, Export Trade and Gross Domestic Product.

The Theme of the article

Entrepreneurs who are also business leaders seek out and implement ideas to promote economic progress. One of the key drivers of economic growth is entrepreneurship. Via his or her business decision, the entrepreneur serves as the head of the trigger that ignites economic

activity. He is essential not only to the growth of a nation's industrial sector but also to the growth of its agricultural and service sectors. A person who has the drive, aptitude, and ambition to launch his own company or business and who constantly aspires to greatness is referred to as an entrepreneur. In addition to working for the greater good, he is a social change agent. For financial advantage, they search for chances, spot them, and grasp them. As a risk taker, the entrepreneur manages and oversees the business operations by providing risk capital. The process of economic development is thought to be focused on entrepreneurship. Entrepreneurship is the process of adding or taking away value.

Entrepreneurs who make the best use of a nation's resources to promote balanced development. Entrepreneurs are those who launch new businesses, which aid in the creation of jobs for workers. By using the technology they are proficient in to boost production, they aid in escalating rivalry and so contribute to the progress of the nation and the state, which is then followed by economic expansion. Entrepreneurship promotes economic growth because it uses the best resources like land, labor, and capital to create wealth and revenue for the country in the form of goods and services. Not just in the state but also the nation, they contribute to rising net national product and per capita income. Entrepreneurs play a key role in the industrialization and economic progress of a country.

A country may have acquired a wealth of natural resources, but without effective entrepreneurs, economic development is impossible. A thriving and active sector of the Indian economy, the entrepreneurship sector includes SME's, startups, and first generation company owners that are looking to grow their family firm. The sector has been touched both positively and negatively. Value can be created or extracted through entrepreneurship.

Statement of the problem

Entrepreneurship enhances the overall quality of living, facilitates access to goods and services, and fosters economic growth. By providing services to underserved areas and creating environmentally friendly products, many entrepreneurs also have a positive effect on their local communities and enhance their quality of life. They encourage new employment by developing new goods and services, which eventually accelerates economic growth. Therefore, public policy that promotes entrepreneurship should be seen as crucial for economic development. An entrepreneurial culture hastens a nation's overall growth.

Additionally, it encourages development because it draws businesspeople who are responsible for organizational and technical innovations. Increased prosperity for businesses as a result of strong economic growth makes it possible for them to invest more in R&D. Technology advancements like better healthcare and environmentally friendly products may result from this. Sustained economic development also boosts confidence and motivates businesses to take chances and innovate. In addition to delineating the issue a company is facing, a problem statement also describes the proposed course of action. Solving consumer issues is frequently the foundation of new businesses. An effective product vision can be created from an issue description. In light of the aforementioned, the primary goal of this research article is to offer an analytical and conceptual evaluation of the effect of entrepreneurship on India's economic development. From a social, political, and economic perspective, the problem raised in the research article is significant, urgent, and pertinent. The research effort's subject is apparent from the title alone, and it is thought to be significant.

Methodology of the study

Information that has already been collected by another entity is referred to as secondary data. tests, observations, questionnaires, in-person conversations, etc. Government-produced publications, websites, books, magazine pieces, internal documents, etc. constantly modified to the needs of the research. To improve the investigation's overall effectiveness, existing data is compiled and summarized. Studies that have already been published in study reports and other papers of a comparable nature are referred to as secondary research. This investigation has a comprehensive and analytical focus.

Research Article Objective

Through the help of secondary sources of information and statistical data relevant to the research article's theme in accordance with development in the context of globalization, the main objective of this research article is to analyze the theoretical aspects of the process of assessing the impact of entrepreneurship on Indian growth in the economy.

Entrepreneurial attributes and capabilities

- ❖ Entrepreneurs are similar to gamblers in that they have better odds of winning if they are dealt the appropriate cards.
- ❖ Entrepreneurs need to have a certain level of risk tolerance. Risk-taking can be viewed as engaging in an activity despite the possibility of a bad outcome. It's risky to launch a business, and it's considerably worse when you use your own money.
- ❖ Entrepreneurs require imagination as well. There are two ways that innovative businesspeople innovate. First, they can introduce a whole new good or service to the market, like the first cell phone, but they can also drastically enhance an existing one.
- ❖ Also needed is initiative. Business owners take the initiative. The new company won't ever get off the ground if you are unwilling to start without being prodded.
- ❖ Independence is another essential characteristic for business owners. An entrepreneur doesn't want their hand held, and neither does anyone else.

Necessity to promote entrepreneurship

The actual per capita income of a country must gradually rise over time in order for economic development to take place. A nation's progress is significantly influenced by entrepreneurship. It is among the most crucial ingredients for economic growth. The volume and caliber of entrepreneurs have an impact on the nation's economic expansion. The economic histories of currently developed countries such as the United States, Russia, and Japan attest to the concept that entrepreneurship is a necessary precondition for economic success. The people of developing and underdeveloped countries are now aware of the significance of entrepreneurship for economic growth because to the vital and significant role played by entrepreneurs in the economic development of industrialized nations. It is now generally acknowledged that enthusiastic and active entrepreneurs can only fully use the potential of the country's resources, including labor, capital, and technology.

The 21st century's entrepreneurial tendencies

Entrepreneurship was broadened in the 2000s from its original definition of a for-profit firm to encompass social entrepreneurship, in which commercial objectives are pursued alongside social, environmental, or humanitarian objectives, as well as the idea of the political entrepreneur. Corporate initiatives when significant cities (spin-off) subsidiary organizations are involved have been referred to as an entrepreneurship within existing firms or huge

organizations. Entrepreneurs are risk-takers who take the initiative. The definition of "entrepreneurship" has been expanded to include a particular mindset that leads to entrepreneurial endeavors. Over the course of their careers, American employees frequently take part in the formation of new businesses. Both in the United States and Western Europe, entrepreneurship has been cited as a key factor in recent economic success.

Developing dynamics in the Indian Entrepreneurship Sector

- ❖ Digitalization and mechanization: Despite the fact that technology is permeating all industries, smaller start-ups and business owners will adopt these concepts more quickly.
- ❖ Collaborations in Business
- ❖ Emphasis on Customer Service
- ❖ Investments and Diversification
- ❖ Focusing an emphasis on research and development and innovation

India's most significant entrepreneurial movements

Technically speaking, entrepreneurship has few obstacles. Generally speaking, navigating the bureaucratic procedures to become an entrepreneur is simple. Internal entrepreneurs at many well-known companies are fostering innovation. Some employees are permitted to conduct their business as independent contractors. More and more people with marketing skills are starting their own businesses; marketers are increasingly becoming entrepreneurs. With the growth of social media, marketing acumen is increasingly what sells any goods. The best course of action is to employ contract workers. The best course of action is to use contract workers as it is becoming more expensive to hire and keep them. Revenue is the exclusive concern of business owners. More business owners are realizing the importance of prioritizing revenue. As most businesses today are digital, the entrepreneur is compelled to achieve early viability and almost immediate profitability. On revenue, they concentrate. Health is part of the new entry and uses video chat to connect diabetes patients with doctors.

Entrepreneurs' contribution to growth in the economy

- ❖ Economic Growth and Allocation: By forming the business entity, entrepreneurs put their own money into it and raise money from the public, investors, and lenders. People can now take advantage of successful entrepreneurs and expanding firms thanks to the mobilization of public wealth. One of the fundamental requirements and objectives of economic development is to create and distribute wealth through the pooling of capital.
- ❖ Generating new Jobs: As opposed to job searchers, entrepreneurs are by definition and nature job creators. The literal meaning is that when you start a business, the economy loses one job seeker while simultaneously employing numerous additional job searchers. such a development of employment.
- ❖ Encourages capital formation: Entrepreneurs encourage capital creation by mobilizing the optimal public savings, which is crucial for the country's industrial and economic development.
- ❖ Possibilities for Large-Scale Employment are Created: Entrepreneurs help the unemployed, a persistent issue in developing countries, by offering them large-scale employment opportunities immediately.
- ❖ Encourages balanced regional development by encouraging the establishment of industries in underdeveloped and underdeveloped areas.

- ❖ Economic power is a natural byproduct of commercial and industrial activity, which diminishes concentration and thereby economic power.
- ❖ Capital Formation and Dispersion: It promotes the fair distribution of income and wealth to more people and geographical areas in the national interest.
- ❖ By exploring and explaining opportunities, encouraging effective resource mobilization of capital and expertise, and looking out for chances, entrepreneurs increase the gross domestic product and per capita income.
- ❖ Enhancement of living conditions: A defining aspect of a nation's economic progress is an improvement in the quality of life for its citizens.
- ❖ Encourages a country's economic export commerce: Promoting a nation's export trade, which is a crucial component of economic growth, is the work of entrepreneurs.
- ❖ Entrepreneurs start new firms, and the growth of industries or businesses that support those initiatives contributes to overall economic growth.
- ❖ Infrastructure and general development: entrepreneurs serve as change's catalyzing agent, setting off a chain reaction. The process of industrialisation begins once a business is formed.
- ❖ In addition to mixing the forces of production, an entrepreneur is someone who constantly seeks out change. He also provides novel ideas and fresh combinations of factors. Better investment and wealth distribution are made possible through entrepreneurship.

Entrepreneurship's Impact on India's Economic Growth

An entrepreneurial culture hastens a nation's overall growth. A region can expand more quickly the more venture capitalists there are in that location. Additionally, it encourages development because it draws businesspeople who are responsible for organizational and technical innovations. They stimulate new employment through the development of novel goods and services, which eventually accelerates economic growth. Therefore, it should be understood that entrepreneurship-promoting public policy is crucial for economic development. The development of the national and local economies depends on entrepreneurship. Entrepreneurs drive local and national economic change and competitiveness by innovating and seizing chances. Both the gross domestic product and the per-capita revenue of a nation's citizens can be increased with the aid of entrepreneurs. They look for chances, promote resource mobilization, and launch new goods and services that aid in the expansion of the economy.

Global growth of a nation is accelerated by entrepreneurship. Venture investor density determines how quickly a region can expand. Due to the fact that it draws entrepreneurs, who fuel organizational and technological advances, it also fosters development. The industry is supported by its entrepreneurs. By engaging in entrepreneurial endeavors, they expand the market with novel goods, manufacturing techniques, and business plans, enhancing competition and productivity and adding jobs. A country's prosperity depends on its entrepreneurs.

According to the Global Entrepreneurship Monitor (GEM) India Report (21–22), India's entrepreneurial activity increased in 2021, with its total entrepreneurial activity rate (the percentage of people (aged 18–64) who are beginning or operating a new company) rising to 14.4% in 2021 from 5.3% in 2020. It focuses on the analysis of entrepreneurial behavior,

business dynamics, and the growth and extension of businesses. The goals of entrepreneurship development programs are to improve the knowledge and abilities of current entrepreneurs and to inspire others to start their own businesses. In accordance to business owners, access to markets, the availability of human capital and financing are the three factors most crucial for facilitating a company's development. It increases a community's vibrancy by bringing in more job possibilities. Entrepreneurs invest a lot of time and energy in seeking out new business ventures and product launches. They turn to the region for information, training, and investment as well in order to make their venture successful.

Conclusion

Entrepreneurship has a positive effect on economic growth because it boosts capital formation, creates a lot of jobs, raises living standards for the population, encourages wealth creation and decentralized distribution of economic resources, boosts Gross National Product (GNP) and per capita income, encourages export trade, and aids in the nation's overall development. The ability of entrepreneurs to scan, examine, and find opportunities in the environment and turn them into business propositions through the development of economic entities. Finding the causes of economic growth is one of modern economics' most significant objectives. According to conventional neoclassical theory, a nation's ability to produce both labor and capital, as well as the degree of technology it possesses, determines how quickly its economy will grow. A society's knowledge level has a significant impact on the level of technology in that society. A person who launches a business is an entrepreneur. He looks for and reacts to change.

The confluence of capital, technology, and human talent is a key component of entrepreneurship. Entrepreneurship can be used in both large and small businesses, as well as in both economic and non-economic endeavors. Although multiple entrepreneurs may share some characteristics, each will also have some distinctive features. Entrepreneurs seek out and seize chances. They generate national income and wealth in the form of commodities and services by converting latent and unused resources like land, labor, and capital. They aid in raising the nation's per capita income and net national product. Hence, entrepreneurs play a crucial role in fostering economic growth by founding new companies, generating jobs, and improving a number of critical metrics like GDP, exports, the standard of living, skill development, and community development. Having an entrepreneurial spirit boosts output Costs decrease, earnings and incomes increase, demand increases, and economic growth and job creation speed up as businesses and employees become more efficient.

However, define economic development. Through increasing local wealth, diversifying the economy, fostering job creation and job retention, and expanding the local tax base, economic development is a series of deliberate activities and initiatives that aim to enhance the economic well-being and quality of life of a community. An entrepreneur performs four main tasks: innovation and invention, taking calculated risks and succeeding, management and organization, and additional tasks.

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