

Entrepreneurship in India: A Case Study of Gaurang Shetty of RIIDL

***Dr Jyoti Chandwani, ¹Akshata Kembhavi, ²Anuja Barve**

**Associate Professor 1 & 2 PGDM First Year Students*

** ^{1,2} Vivekanand Education Society's Institute of Management Studies and Research, Mumbai, India
Corresponding Author Email: jyoti.chandwani@ves.ac.in*

Abstract:

The need of entrepreneurship in India has been increasing over the years. India is among the countries in the world where the percentage of youth population is high. Entrepreneur is someone who helps to contribute to the GDP of their country by creating jobs rather than seeking jobs. There are plenty of examples of start-ups who are now so successful in the market. It's important to understand that entrepreneurship is not just about having that one good idea but it requires a whole lot of research in different fields so that one understands the ecosystem of the industry we are working in. This is the case of Mr Gaurang Shetty who is the founder of RIDDL which acknowledges the ideas put up by budding entrepreneurs and helps them to take their ideas out in the market.

Keywords: *Entrepreneurship, India, Innovation, Ideas, Challenges*

1. OBJECTIVES AND METHODOLOGY

The motive behind this article is to study the journey of entrepreneur Gaurang Shetty and the challenges which he faced during his journey of becoming an entrepreneur. The data was obtained through various sources on the internet. Personal interview was conducted with the entrepreneur in his RIDDL office which is inside the campus of Somaiya Vidyavihar and Ayurvihar campus, India.

2. LITERATURE REVIEW

Ghani, E et.al, (2014) says that entrepreneurship is hard to understand as well as to describe as most people consider it to start of some independent business. Many people use self-employment as a means to measure whether they are or not an entrepreneur. But in many cases the self-employed people do not generate any kind of employment for other people which is an essential factor to consider when talking about entrepreneurship. Here one needs to make sure that not only they are self-employed but also many other employees work under them which generates employment opportunities outside in the market and also contributes to the GDP of the country. Startups within

an industry, new innovations in terms of product, venture capital placements all are dynamic in determining the determinants of any business. It's important to keep a distinction between the organised and unorganised sectors where start-ups could emerge, so that one can make an estimate about the contributions these start-ups give towards each sector.

Prabhu, J et.al (2015), says that the innovation coming through Indians are quite different as compared to others. Talking about innovation Indians are known to make something new out of the existing resources while considering cost as the primal and most important aspect. The entrepreneurs in India are more focused on solving the problems especially for those group of communities which have been underserved. Also the innovators out here believe they can come up with new ideas more in the field rather than just studying bookish things in the institutions. Indians are known for their jugaad approach in whatever they do. The same applies for the entrepreneurship and innovation as well. It's high time that entrepreneurs start developing products and services for the rural markets also. Most of the times it's the unavailability of jobs that push people to start their own business and more people are now preferring to be a job giver than a job seeker.

Monsen, E et.al (2012) says that the transition of being an occupational salaried individual to self-employed individual is an important issue particularly in the emerging economies. The government in itself and the policies they come up with both promote entrepreneurship and self-employment among today's generation. Further they believe this transition from employment to self-employment are impacted by number of regional factors. It is said that the individual's occupational choices drive the economic development of the country, but for the effect to have a greater force it's required that substantial number of individuals follow this transition. There are usually two kind of individuals who opt for the transition in work, one who have been salaried till now and now want to start up business of their own and the other type of people who are unemployed and want to start a business of their own.

Swetha, T et.al (2013) has talked about the story of entrepreneurship and how it differs across eras in India. In the pre-colonial era the entrepreneurs were more of the trader-money lender business as compared to the present eras. The essence of entrepreneurship has developed and evolved a lot from the past years. Entrepreneurs are defined by various ways one being these are individual who dared to believe in their ideas and because of which they could transform the lives of other people. One of the many strategies used by the government in developing in-house entrepreneurs was to stop the import of goods which lead to void for those goods in the Indian market. The modern day entrepreneurs are not only generating wealth thereby contributing towards the GDP but they are also responsible for bringing about change in the society. Today entrepreneurs are urged to explore domestic opportunities, with Make in India being increasingly promoted. Innovation is the one thing which the entrepreneurs need to work upon on a continuous basis.

Elahi, Y (2012) says that education is required in deciding entrepreneurial orientation of different individuals. Education and training are needed in imparting entrepreneurial knowledge for the growth of any nation. It is required that efforts should be taken to nurture the spirit of entrepreneurship in Individuals. Educational institutions in particular B schools are much responsible in developing the entrepreneurial mind-set among young management graduates. Entrepreneurship is more than creation of business. Entrepreneurs help in strengthening the local economy. For entrepreneurship to thrive suitable environment needs to be built where new ideas and creations are valued and worked upon. Entrepreneurship can act as an entry level employment generator .Entrepreneurs are known to make themselves and the nation richer. The benefits they provide to the society as a whole is enormous. The past times have gone when they weren't valued. Now even the government are devising policies to nurture and promote budding entrepreneurs.

Singh, Y (2011) says that Innovation is the intrinsic character of every developed nations. So when one talks about entrepreneurship innovation has much weightage for any business or service to prosper. With the technology changing every single day and the world moving towards advancement at every stage it's important to innovate your ideas to stay relevant. Often people are not able to see the thin line of difference between invention and innovation. Invention is when someone generates new ideas and bringing that idea to life is what innovation is all about. Entrepreneurship and innovation are the major backbone that form any country's economic growth. It is evident that India is first in regards to the percentage of working class people in the world. The young population are exploiting their talents and knowledge to the fullest to set up their own ventures and in turn generate jobs for the unemployed .It's important to plant the seeds of entrepreneurs in the students from the very young age for which the education system needs a revamp of how its functions.

Gupta, K. L(2015) discussed about the importance of incubation centres in fostering innovation and entrepreneurship .Entrepreneurship is always looked upon as a risky career option because of which not everyone dares to follow their passion and take a chance to explore it. The funding which the entrepreneur requires is divided into different stages. During the seed stage the entrepreneur requires relatively small amounts of funds to conduct studies and develop prototypes. Next comes the seed funding stage where the maximum funds come from the owner's capital which is the very first source of resource to fund their own start-up. Next comes the incubation stage where their main aim is to nurture the business ideas by giving those required finances and technological advances. Angel investors who mostly have a background of successful entrepreneurs, businessmen usually provide the companies at their early stage with financial and nonfinancial assets. Venture capitalist are someone who provide the support to the entrepreneurs whereby they actually invest more money into the ideas as compared to the angel investors. Private equities are someone who offer more funding than banks and other financial institutions.

Basu, R. (2014) says that entrepreneurial education is the driving force behind the country growing economy. It's quite obvious that the entrepreneurs contribute so much to the country's GDP. So there is a need to nurture the skills required for it from a young age only. Though entrepreneurship as a subject cannot be taught just through books but for the foundation to be strong the principles should be covered in the classroom lectures. Its nature is of cross functional where the basics from diverse fields like finance marketing should also be looked upon before setting out. It is now that this subject has been given the respect and exploration it requires because earlier no one wanted to venture into starting a business of their own but now people are more confident about their ideas and are ready to take risks to convert their ideas into a product or service.

Dwivedi, A. K (2013) discussed about how entrepreneurs are not born out of somewhere but how they can definitely be created with the right kind of environment provided to them to grow. Economic development is about the progress across all sectors. All efforts are continuously taken to strengthen the base for entrepreneurship. For developing the same programmes are undertaken to solve the problems of poverty and unemployment. It is important to spot that opportunity which can be a game changer for the entrepreneur.

Existing entrepreneurs in the market also need to continuously get themselves trained to polish their competencies. These days most of the educational campus have incubation centres with them which needs to be utilised to the fullest by those individuals who actually want to make a career in entrepreneurship.

Zhao, F. (2005) says that Entrepreneurship and innovation go hand in hand and both can together lead towards organizational sustainability. Risk taking, proactivity, and innovation are the key elements that are included in entrepreneurship. Entrepreneurship in easiest terms will mean having a feasible idea which can be converted into respective products and services and can be launched into the markets for the benefits of other. Entrepreneurs should not be confused with the small business owners as the latter's focus is on serving their immediate needs whereas the former applies innovation in whatever they do. These days the concept of intrapreneurship is also explored more which allows employees to act as entrepreneurs within their organizations.

Rasmussen, E. A. (2006) says that entrepreneurship can be in an already existing firm or else venturing out into creating something new in the market. Either ways they drive and contribute towards the economy. These days entrepreneurship as a career is been promoted repeatedly because of the capability it has in terms of job creation and also innovation. Institutions can contribute to this either by encouraging their students to take up entrepreneurship or by motivating them to research. These days it's a compulsion to include entrepreneurship as a subject in higher institutions. Usually people who have a clear inclination towards starting out their own business consider studying entrepreneurship. Creation of new business or coming up with a new idea are something that will lead us to achieve economic goals on different levels. Entrepreneurship is

better learnt as learning by doing because that's when individual gets the actual meaning of being an entrepreneur.

Patel B (2013) says that these days rural entrepreneurship is also trending among the people who specially migrate from rural areas to urban areas. As compared to the entrepreneurs in urban areas the ones who plan to set up business in rural areas are particularly facing huge problems in terms of finance unavailability of required and basic resources to start a business. The main idea here is to reduce the migration of people from rural areas to urban areas for job purpose that is one can start up some business in the rural areas if provided with required resources. Committed people and NGO are someone who are actually interested in the development of rural areas. It is important that people are provided with abundant opportunities in rural places so that the ones who migrated outside and think of coming back and starting something in the rural areas. People should be made realized about the importance of innovation, creativity and practical knowledge to become entrepreneurs. The changing environmental conditions and also the pace at which urban people witness the growth poses a threat over the small scale industries and business in the rural areas. Apart from this rural entrepreneurs face challenges of finance, technology, family. But at the same time they have certain opportunities also to convert their challenges into solutions which if worked upon can surely benefit the rural entrepreneurs.

Ketchen Jr (2007) says that strategic entrepreneurship is something that talks about the superior performance of the firms which can be both small and large group of firms. Entrepreneurs focus on wealth creation by identifying some opportunity and also a market for their product or service. It is important to understand that companies need to concentrate both on their strategies as well as on entrepreneurship. Concentrating on both these dimensions is difficult but if achieved then that will be beneficial for the forms. Innovation is something which is great, when many people collaborate and work on it which leads to creation of more ideas. Small firms can preserve their creativity to much larger extent when dealing with collaborative innovation. On the contrary large firms operate on a bigger scale and they have competitive advantage.

3. INTRODUCTION

Entrepreneurship or rather entrepreneurs are someone who have some idea, which they would want to convert into possible products or service. It's not that easy as it sounds as the entrepreneurs have to go through lot of stages. These include having that one unique or innovative idea, arranging the funds for your startup, making people believe in your idea, implementing your idea, understanding how your product or service is progressing, having a good team and many more. These days the concept of entrepreneurship is gaining huge popularity where people no longer want to be job seeker rather they wish to start a business of their own. People find entrepreneurship as an exciting career option for the ones who are passionate about their start-up venture. Entrepreneurs are probably only ones who get to work on all the aspects required in a business

starting from logistics, sales, recruiting people to financing and funding for their ideas. The flow of this research began from knowing about Mr. Gaurang's journey – the start of his organization Riidl and its growth. Every entrepreneur faces some or the other difficulties during his journey. This research study further analyzes the challenges faced by Mr. Shetty and the way he overcame them.

4. BACKGROUND

For any person who hardly has any knowledge regarding how to go about when one has a great idea, incubators are one such platform meant to provide the needed support and a solid foundations to all the budding entrepreneurs. The incubators help the individuals to nurture their ideas so that it can be converted in to successful prototype and then further into a startup. RIIDL is an incubation centre where the people with good convertible ideas are given working space and are provided the correct advice and guidance so that their product or service eventually benefits the society. The idea behind starting RIIDL was to bring the good projects which students do during their graduation out in the market so that those ideas can actually be worked upon. The name, RIIDL which means Research Innovation Incubation Design Laboratory was formed after consultation with the advisors. RIIDL in literal meaning also means puzzle which can be associated with finding a problem and providing solutions to it.

5. EDUCATION

Education is the base to be successful in any field or domain one wishes to pursue. Having said this for entrepreneurs, it's extremely important that they have sound knowledge regarding the business activities and how to go about when having start-up of their own. It's required that the entrepreneurs have good knowhow of all the different fields be it sales, marketing, managing human resources, accounting or logistics and supply chain. Most of the people tend to start their business after quitting their jobs midway which is why it's extremely important to have an educational background in entrepreneurship. When one knows the basics and foundational aspect of entrepreneurship, that knowledge helps the person in the long run. Also many of the entrepreneurs we have in world today don't have a formal degree in this field but they know all the tricks to be able to sustain in this field may be because of their family business. It's safe to have the required qualification as these won't go waste and will help in their further career. Mr Gaurang Shetty had done his Diploma in Industrial Electronics from Vesit (2004-2007), Electronics Engineering from KJ Somaiya College of Engineering (2007-2010) .Then done his MBA in Management Information Systems,General from KJ Somaiya Institute Of Management Studies and Research (2013-2016).Followed by a Diploma in Digital Fabrication on "How to Make Almost Anything" by Fab Foundation Center for Bits & Atoms MIT USA(2016-2017).

6. JOURNEY OF ENTREPRENEUR

It requires passion, dedication and the ability to take risks to be an entrepreneur. It comes with a lot of challenges. Whether you are someone starting afresh in this field or an experienced individual the struggle and challenges never end in an entrepreneur's journey. For the experienced entrepreneurs some lifetime challenges include constantly maintaining the image of their company in the minds of the people and also coming up with new ideas so as to sustain their business in the competitive world. It important to note that when an entrepreneur, you have an additional responsibility of paying your employees as well. Mr Gaurang started off RIIDL from the college canteen which eventually grew big as a whole setup of a place where one can build there start-ups then came up with Maker Mela which is a grass root event for innovators. It's the premier event for showcasing the projects for students all over the India the motive behind starting this was to support innovators who are building prototypes and to support their ideas by giving them a platform Mr Gaurang is also the Lead of Facebook Developer Circles Mumbai.

7. CHALLENGES

7.1 FINANCIAL

Experienced entrepreneurs do have certain advantages over the new comers as they now have ample network connections of them .On other hand the young ones who are new and want to start something of their own the first resource which one needs to think about is money or rather how would one finance their ideas. In all they have to start from the scratch, network like crazy with their connections and they might have to go through a dozens of funding options before they land on their own. Mr Gaurang had no money in his pocket while starting RIIDL but his idea was to take the projects that students do in their final year to the markets rather than just scrapping it. He conducted the first meeting of RIIDL in the canteen of Somaiya Vidyavihar and later he got financial support as well as space for setting up RIIDL from the trustee Samir Somaiya.

7.2 PARTNERSHIP

Partnerships are very important for the growth and sustainability of your business. The principle of strategic partnership is what is used from the old times to conduct business. The right partnership is one which benefits both the parties, the benefits can range from sharing their ideas and technical knowledge as well investing in some good projects. But one should also keep in mind not all partnerships turn out well as imagined for which some factors like. Mr Gaurang had started RIIDL with four of his college friends who all believed and agreed to his idea. But at a later stage all of them backed off the project due to some or other reasons. At this point of time Gaurang was doubtful whether to continue with his business or take up some job. But with the support of his Family and wife he was determined to continue the business and take it to new heights of success.

8. ROLE MODEL

Having a role model is quite an essential thing for the budding entrepreneurs. It gives them the freedom to understand and think how even entrepreneurship can be a viable career option and not only this it gives them that sense of responsibility to serve the society as well and contribute to their country's GDP once they successfully establish their start-ups. Also having a role model of their own related to any fields helps the individuals remove that stigma of failure from their minds. It makes them understand that its ok to fail and rise above it as to we have so many examples of successful and ambitious people who at one time have failed tremendously but have come out strong from the crisis. Entrepreneurship is better if one is really passionate about venturing into this field. Mr Gaurang Shetty looks up to eminent personalities like Jack Ma and Ratan Tata as his inspiration and believes people who want to get inspired in life should look up to such persons.

9. THE SCOPE OF ENTREPRENEURSHIP IN INDIA

The scope of a start-up is tremendous given that India is among the countries where young population is highest in the world. Today's students are not just taught to be a job seeker rather the colleges and B Schools are taking great efforts in igniting the spark of entrepreneur among their students where their ideas are appreciated and mentored and worked upon in the incubation centres of colleges. One thing people need to understand that entrepreneurship is not bookish knowledge where you sit for lectures and get through it rather it is more of your innovations, creativity, and field work. The future is bright for all the to be entrepreneurs wherein even the Indian government is giving all kind of support to these people, Also the make in India policy is a great chance for the budding entrepreneurs out there. There were times when the people in corporates were given more respect than the ones who have a start- up of their own. But today fact is that many corporate people end up leaving their jobs and either follow their passion or start a business in some way or the other. The Indian experience has established that, when the policy makers create the right environment, the entrepreneurial spirit of the people finds expression and thus it gives an economic boom. Entrepreneurs not only help themselves but also are making jobs available in the market. This in turn helps the economy to grow. After visiting Silicon Valley and other startup centers around the world, Mr. Gaurang firmly believes that India is currently the hottest market for entrepreneurship. Our country is still lagging technologically but in terms of business we are at par with other countries (China, US).

10. CONCLUSION

It just takes a tipping point to spread an idea like wildfire and the Indian government understands this fact very well that every individual has that capability of thinking and creating something unique. Entrepreneurship is all about stepping out of your comfort zone in order to follow your passion and show your ideas to the world. Being an entrepreneur requires one to take significant

amount of responsibility also it comes with potential rewards and challenges. Entrepreneurship can be described as firstly spotting an opportunity where you can work upon, taking up that opportunity, being responsible about your ideas and creation, using innovation at every stage where possible, making best possible use of resources, creating product or services that is valued by the customers and the society as a whole. The motivation behind becoming an entrepreneur can be varied and diverse but the one who has the passion to do it combined with the required skills are bound to be more successful than others. Entrepreneurs are not born but are created by giving them the right kind of environment and opportunity. Also not to forget there are many successful entrepreneurs today who didn't have the access to entrepreneurial environment but still they made their presence felt because they know how to find opportunities even in their adversities. Entrepreneurship and Innovation often go hand in hand as innovation is something that is the driving force behind any product or service you offer to the society as a whole. When we talk of innovation one needs to remember that it has to be relevant to the sustainability of your business.

It's important to know that an entrepreneur's entry into this field of business does not guarantee them a smooth run and survival ability. These things need to be gradually developed by the entrepreneurs and there is always a definite amount of risk looming over the entrepreneurs as they are the ones who manage their business and are job providers for someone else. True and successful entrepreneurs are those who are ready to face all challenges but in the end they want to see their employees and venture to grow. India is currently the hottest market in the world when it comes to business and also it is at par with other countries such as USA or China. Mr. Shetty believes it is very important for the budding entrepreneurs to believe in themselves and focus on present because that is what can be changed and worked upon. For any business to work the idea should be unique and practically possible to implement.

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