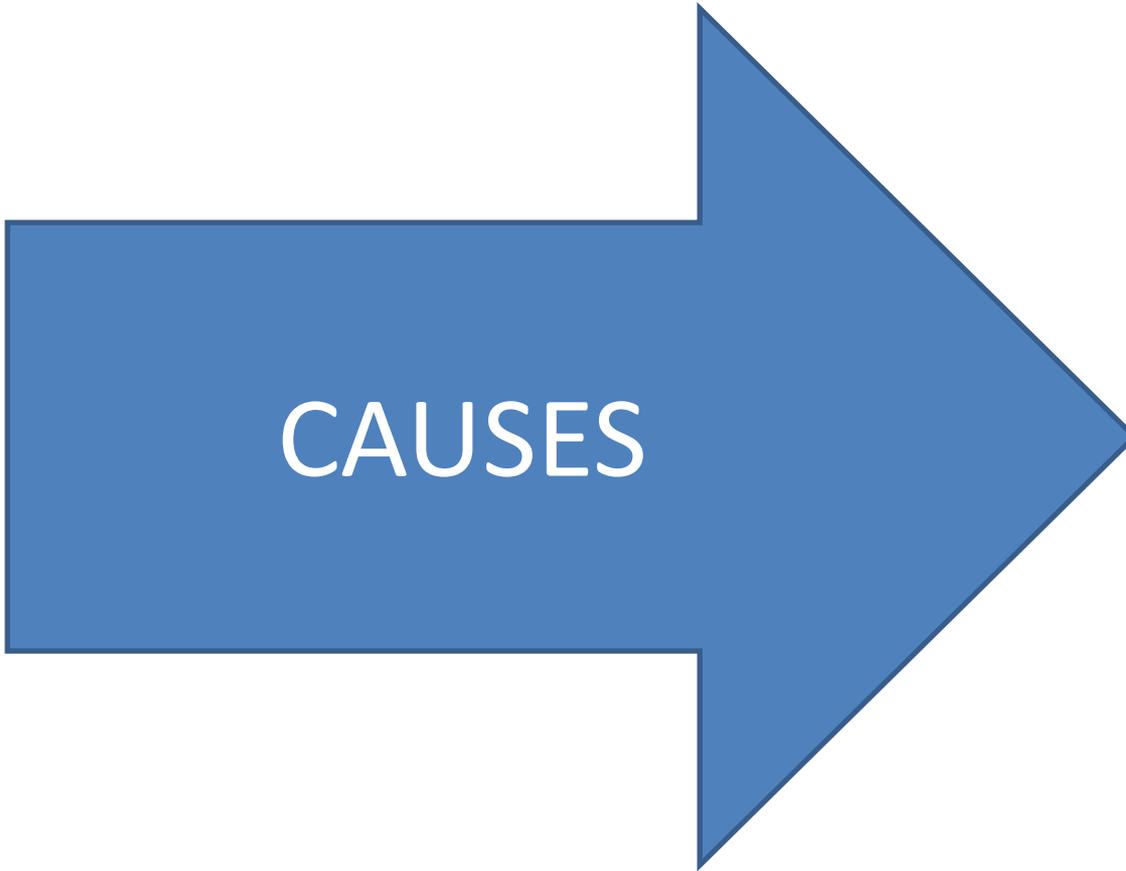


YOUNG ENTERPRENUERS

ENTERPRENUERSHIP PROJECT

INTRODUCTION

- Youth is the Future of every nation & inheritors of the earth tomorrow. This statement stands true in every sense. When a country has a healthy youth population, you will find the country making headway in terms of overall development and progress. A country with high aging population and lower youth population has a lot of problems to contend with that can slow its growth.
- The world today has transited into a 'Technology Era'. Technology has enabled progress in all fields and all societies. Technological revolution has changed the face of lives of people bringing healthcare, information and connectivity to even the most remote areas that were hereto isolated.



CAUSES

YOUTH UNEMPLOYMENT

- **Youth unemployment is being recognised as one of the problems that could grow into global proportions in the coming years causing social and economical problems for the societies.** Youth entrepreneurship is being look at as an alternative besides other methods of creating employment opportunities. However, there is a need for global recognition and promotion of Youth entrepreneurship on sustained long term basis for this field certainly holds a promising future.

CAUSES OF YOUTH UNEMPLOYMENT

SOCIO- CULTURAL
FACTORS

ECONOMIC AND
POLITICAL FACTORS

POLICY FRAMEWORK

EDUCATION SYSTEM AND
ORIENTATION

BUSINESS AND FINANCE
SUPPORT

- **Socio-Cultural Factors as Inhibitors to Entrepreneurship**

In some of the countries the social and cultural outlook of the societies may not encourage initiatives and entrepreneurship. Many societies expect the youth to obtain education that enables them to get a job and earn salary to support the family. Economic compulsions too can push the families to encourage youth to look for jobs and not look at opportunities.

- **Economic & Political Factors**

Economies which are not growing are grappling with huge unemployment problems and this is affecting the youth too. When the economy is down and the business is not doing well, there will be no opportunities for small entrepreneurs to provide services to support the economy and business.

- **Policy framework**

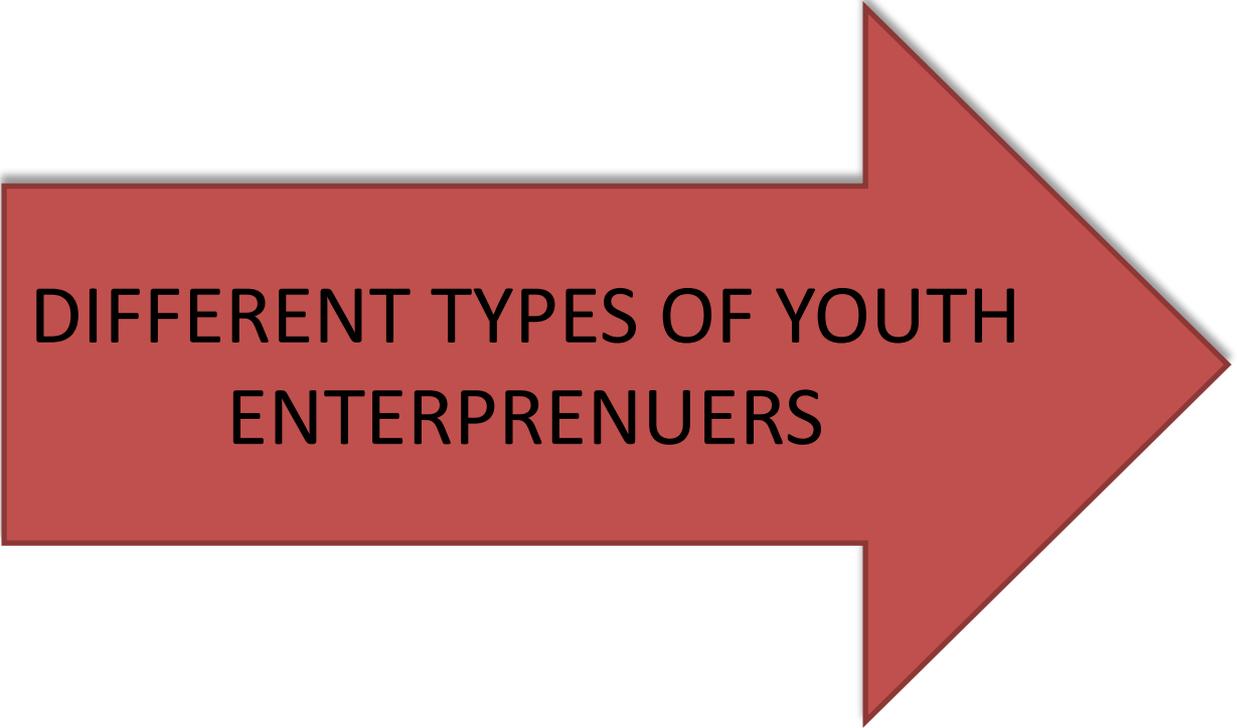
Government policy and framework in the country helps identify and build the base for youth entrepreneurship. The policies need to encourage and provide opportunities as well as assistance and environment to give impetus to youth entrepreneurship and have got to be implemented at national, regional and local levels

- **Education System & Orientation**

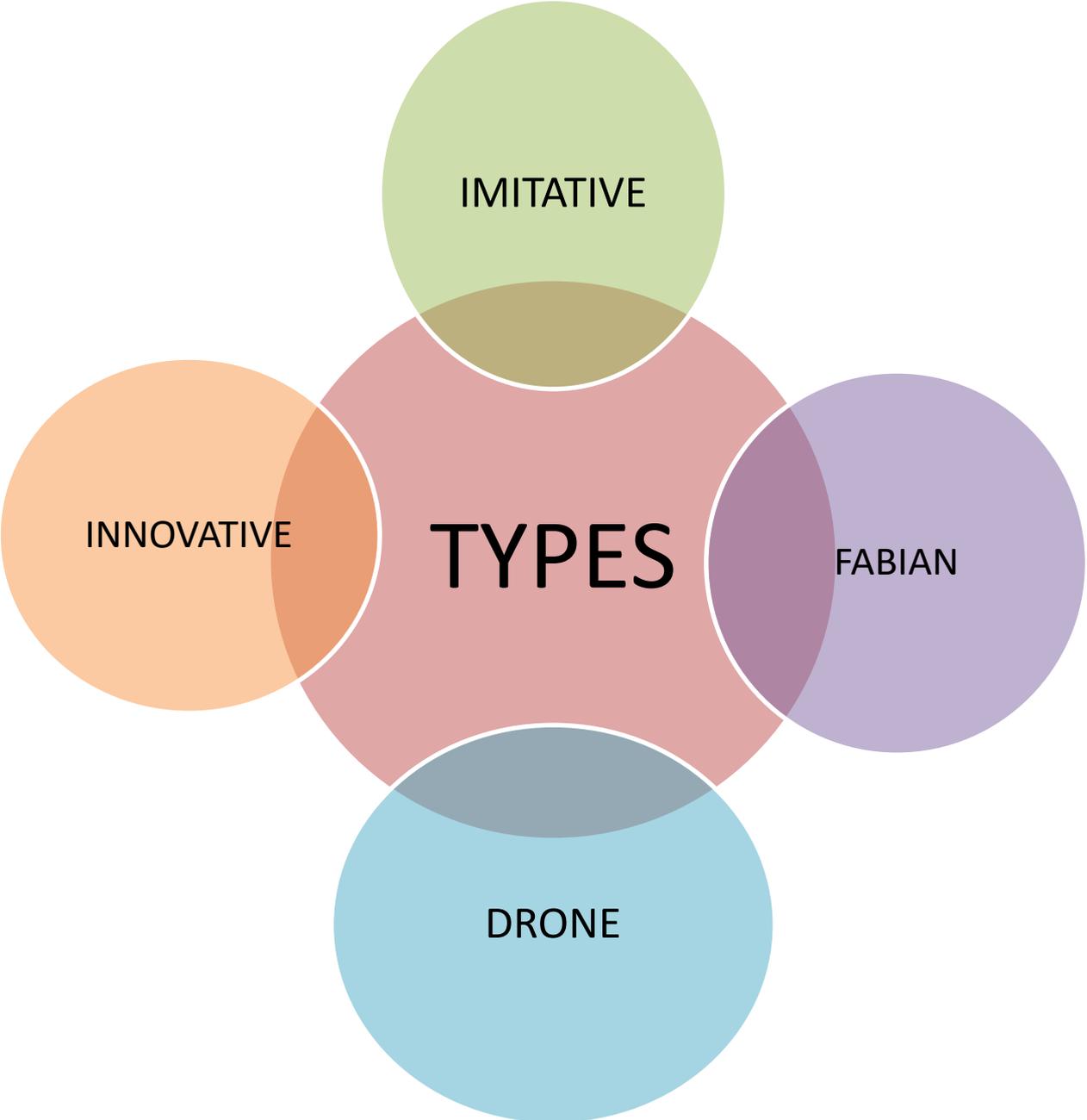
In most of the countries today the education system is geared to enabling the youth to pass out with their qualifications based on academic knowledge and prepare for seeking a job. There is little or no focus on building and equipping the students with leadership, building awareness and giving them training for entrepreneurship

- **Finance & Business Support**

One other biggest hurdle faced by each and every entrepreneur is the lack of financial backup and funding as well as guidance required to incubate new business. Most often those who attempt to start any enterprise do so borrowing from family and friends and dipping into their saving. After a while the business starts to suffer due to lack of funds and they end up in a debt trap. Banking and financial assistance should be made available easily and this can happen only with the active support and engagement by the Government. Nowadays venture capitalists are funding new enterprises. However this is available to very few and not to the larger sections of the society.



**DIFFERENT TYPES OF YOUTH
ENTREPRENEURS**



IMITATIVE

INNOVATIVE

TYPES

FABIAN

DRONE

- **Innovative Entrepreneurship**

The so called mavericks that are able to think out of the box, innovative new methods, processes and create new business opportunities out of their innovative ideas are known as Innovative Entrepreneurs. Currently we can name dozens of Innovative Entrepreneurs in the world. If Bill Gates and Steve Jobs made history in the recent past, they are being fast replaced by youth entrepreneurs like Jack Dorsey - founder of twitter, Sergey Brin, Larry Page of Google, Mark Elliot Zuckerberg who founded Face book.

- **Imitative Entrepreneurship**

Most of the entrepreneurs in the developing countries and under developed countries who bring home tried and tested technologies from the developed world and establish them in the home country come under this category.

- **Fabian Entrepreneurship**

Youth entrepreneurs who take on the business from their previous generation and manage to grow the business without taking any major risk of deviating into new areas but improving efficiencies, processes and scale of operations etc are called Fabian Entrepreneurs.

- **Drone Entrepreneurs**

Drone Entrepreneurs are the first generation Entrepreneurs who manage the business handed down to them and continue to look at running the enterprise smoothly without taking any risks. This kind of attitude may be said to be an individual train of the Entrepreneur that leads him to manage the inherited business in a steady mode.

Building Youth Entrepreneurial Culture

- Recognising the need to invest into creating and building Youth Entrepreneurship in the country, Governments and international agencies have embraced long term agendas to co-operate and collaborate in formulation of strategies and implementation plans for building training programs, building awareness amongst the youth and the families and empowering the youth with the required skills and knowledge to pursue entrepreneurship as an career option.

BUILDING YOUTH ENTERPRENUERIAL CULTURE

- **Creating and building a Youth Entrepreneurial culture in the society calls for two pronged strategy. The first and foremost platform for building the awareness and initiating the Youth into the concept of Youth Entrepreneurship is by investing into Entrepreneurship Education.** This involves creating and including Entrepreneurial and Management studies at all levels of education. The action plan in this section includes building the content and syllabus and making it available to the teaching communities, training the teachers and counsellors to become Entrepreneurial educators and providing them with the infrastructure and facilities required.
- One of the most significant aspects of Enterprise education is to involve industry and business organisations into the Youth Entrepreneurship programs at College level so as to provide an opportunity for the Youth to get hands on experience and increase their awareness of the business and economic environment.

NUTURING YOUTH ENTERPRENUERSHIP- THE NEED OF HOUR

- **Nurturing Youth Entrepreneurship can be highly beneficial for the society, economy as well as for the progress of the nation besides the individual's self development and achievement too.** In the current times where the nations are transitioning through tough times and adapting to globalisation, the hope for the youth lies more in becoming job creators rather than job seekers. Promoting Youth Entrepreneurship helps solve a lot of problems in the society too by ensuring that the marginalised youth is brought to the main stream through providing them with self employment opportunities.
- Most nations have recognised this fact and are providing some focus and thought into building programs conducive for Youth Entrepreneurship and providing the right environment for YE (Youth Entrepreneurship) to evolve. However nurturing YE calls for a strategic plan at national levels.

THREE STAGE TRANSITIONAL PHASE IN YOUTH ENTREPRENEURSHIP

Nurturing and Building Youth Entrepreneurship has got to be a long term developmental program with strategic focus and policy framework at the National Government level identifying specific areas and programs to nurture and build awareness of amongst the Youth, train and enhance their skills required for starting business enterprise. This calls for including Youth Entrepreneurship building as a regular curriculum at high school and University levels throughout the country. Secondly there has to be a common YE program involving all NGOs, Societies and Communities to create an environment and culture that is conducive to Youth Entrepreneurship. The effort of building YE does not stop with this.

STAGES

- **Pre-Entrepreneurs:** The onset of this stage starts at 15 years up to 19 years. This is the stage when the youth is leaving home and starts identifying himself as an individual. His thoughts and ideas about his future and career start forming at this stage. Entrepreneurial attitudes are formed naturally or as a result of awareness programs and honed from this stage onwards.
- **Budding entrepreneurs:** This stage lasts from 20-25 years. During this period the youth would have tried their hand at some kind of work or tried to start and run a small business. Whether they manage to succeed or burn their fingers, they will have acquired the practical knowhow and pitfalls of Entrepreneurship and the outside world.
- **Emergent entrepreneurs:** Youth between the ages of 26 to 29 years fall into this category. By this time they would have had the necessary experience, made mistakes and realised what it takes to manage a business. They are more likely to be grounded, realistic and ready to prepare and start their enterprise on more mature and sure footage with good lot of preparation and wisdom.

FINANCIAL BARRIERS

- **Personal Savings & Borrowings from Family and Friends**
- **In most cases the youth do not have any avenues for saving money and accumulating the margin money needed for business.** They are often required to raise the initial capital through the support of family and friends. In such cases the amount of funds that can be put together would be meagre and not sufficient to get going. Very often the youth would have to repay the education loan taken for funding their studies and hence will already be in debt servicing mode leaving no possibilities for saving any money. Such youth are not considered to be safe and are perceived to be potential risk by the bankers.
- Even if the youth has a very good business opportunity, the required technical knowledge and other capabilities to make it a success, financing the business becomes a major hurdle.

- **Borrowing From FI & Banks**

The next option for the youth to finance their business venture is to approach banks and financial institutions to raise the required capital in the form of loan.

- Borrowing from Commercial Financial institution calls for providing personal securities and guarantees. Normally youth will not be in a position to provide such securities and will not have the personal credibility to be eligible for securing loans easily.
- In most cases youth lack the knowledge of debt financing, working capital management and the overall impact of financial management. It is quite possible that their financial estimates could be way off the mark. They can get carried away and plan a higher estimate or under estimate the capital requirement due to inexperience.
- Banks and financial institutions as well as the other funding agencies are found to be very strict and conservative in processing the applications, ascertaining eligibility of the borrower and tend to be very stringent in their approach to funding the Youth in their first venture.
- Time taken to obtain financial support and to complete the required documentation can cause a lot of delay. If the time taken to process runs into a couple of months, the business plans of the Young Entrepreneur will definitely get affected.
- Lack of knowledge of legal procedures to start an enterprise and the required licenses, permits etc cause in-ordinate delays in documentation when it comes to loan processing by the banks.

- Overall, the youth find it very difficult to access finances for their start up ventures. Sometimes such difficulties can kill the entrepreneurial spirit or one could end up losing the business opportunity due to inordinate delays in arranging funding to kick start the business. This is the area where the Governments can get involved and help make it easier by providing solutions through special seed funding agencies, micro financing organisations and similar such networks that can back up the first time ventures of Young Entrepreneurs.

YOUTH ENTREPRENEURSHIP BUILDING SKILLS

- Building a society that is responsive to, encouraging and favourable to Youth Entrepreneurship is the responsibility of every society as well as the Government. **Encouraging the Youth to become entrepreneurs has a lot of advantages in terms of solving problems of unemployment in the economy as well as paving way for the innovation and growth of the country too.** Understanding the need to creating and nurturing Youth Entrepreneurship, many countries have taken up strategic initiatives and implemented plans aimed at imparting Entrepreneurial skills and knowledge through education. Such a move no doubt provides the freedom and the thrust to the Youth to dream and achieve their dreams.
- **LEADERSHIP** is not only a born talent but can be acquired through learning and training too. An ideal entrepreneurial training and studies should include subjects like Entrepreneurship Awareness Building Skills, Entrepreneurial & Personal Empowerment skills, Business Planning, Business Management as well as Personal Empowerment skills.

ENTREPRENUERSHIP AWARENESS BUILDING

- Entrepreneurship is all about being a visionary self starter leadership, one who is able to identify opportunities to offer solutions in the form of product, technology, process or service to fulfil a need and thereby gather and employ all necessary resources including manpower, finance, technology, infrastructure and others to build a successful enterprise in the chosen area of business.
- Being an entrepreneur calls for a lot of grit and determination as well as ability to take calculated risks as well as responsibility. Leadership calls for the ability to find workable solutions and crossing all hurdles to reach the goal without getting bogged down. An entrepreneur carries a vision not only of making profits but has a larger vision of creating jobs, helping people develop their potential, contributing to the society and at the same time ensuring the growth of his or her organisation and the people connected.
- At the initial stage, one might have an inclination towards becoming an entrepreneur. But normally the students will not have an idea of what it means to be an entrepreneur. Such an awareness program educating them and introducing the concept of entrepreneurship in schools and colleges as well as through dedicated training programs help the youth make up their minds to pursue entrepreneurship as an option to a career.

ENTERPRENUERIAL BUILDING

- Being an entrepreneur calls for playing a multi disciplinary and multi functional role in managing one's enterprise. A successful entrepreneur is able to not only identify business opportunities, but is enterprising in his approach to developing the business opportunities into successful business enterprise. This calls for thinking out of the box and extraordinary leadership, creativity, foresight, ability to think ahead, ability to create options, ability to gather resources, manage resources to achieve the target as well as negotiate and solve problems both internal to the business as well as with external environment. Being enterprising is an attitude of the mind. A good entrepreneur looks not only at his success, but the success of his organisation as well as of the team that works with him. Entrepreneurship is also about being able to attract the best talent, to provide leadership and guidance to grow and nurture the talent, manage and harness the talent pool too. Through training one who has a basic initiative towards entrepreneurship can be moulded to become a successful entrepreneur. Ability to think creatively, looking at the macro and micro environment as well as options, negotiating with alternatives and managing processes on all fronts without losing out on the vision can be sharpened through Entrepreneurial training.

PERSONAL EMPOWERMENT SKILLS

- Personal empowerment and development is necessary for every individual and most importantly for an entrepreneur. These skills apply to one's ability to perform in his |her work area. One needs to have the specific job function or technical skill to pursue a particular vocation but along with the functional skill and knowledge it is the personal empowerment of the individual that helps him succeed in the enterprise.
- Personal Empower skills training imparts mind training to the entrepreneur, helping him learn to focus, concentrate, analyse and be objective in his thinking. Positive thinking, learning to be assertive and affirmative as well as being balanced in thinking at all times, being calmly active, ability to manage stress and work under pressure are some of the skills that are a must for every successful entrepreneur.
- An entrepreneur is also a leader. Through training he can develop leadership skills as well as groom oneself and build a positive image as well as enhance one's self esteem. Personal development in the areas of self discipline, time management, being self-motivated and enthusiast are very essential for a young entrepreneur who is making his foray into business. All these skills can be learnt through specific training.



YOUNG
ENTREPRENEURS
IN INDIA 2019

1. RITESH AGGARWAL

- Age – 25 years
- Founder & CEO – OYO Rooms



This man is one of the **youngest entrepreneurs of India** and the founder of a budget room provider service named OYO. He launched his first startup named Oravel Stays Pvt. Ltd. in 2012 at the age of 18 years. After a lot of research, he pivoted Oravel to OYO in 2013. This company is basically running in 5+ countries including UAE, England, Singapore, and Malaysia.

2. INDRAJEET SINGH

- Age – 25 years
- Founder & CEO – iQuanta



Indrajeet Singh is a founder of iQuanta and is the **youngest entrepreneur of India** who hails from Bihar. He has made it big in the Education Industry. He has inspired many from being a small-town guy to becoming a successful entrepreneur. His revolutionary ideas and ability to solve a complex quant problem named him 'Wizard of Quant'.



THANK YOU

