



## Entrepreneurial Orientation and Entrepreneurship Development: A Study of Jammu and Kashmir Entrepreneurship Development Institute

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(Received 04 Apr, 2017; Accepted 26 June, 2017; Published 06 July, 2017)

**ABSTRACT:** Entrepreneurial growth is the most important factor responsible for the growth and development of the entrepreneurship at any place. It is the contemporary concept having a broad horizon to activate the production and progress of any place. Entrepreneurship is not an ascribed state of mind or body but can be developed after certain set of training and skill development. Entrepreneurship development has become an indispensable sphere for the growth and development of any place. In order to cater this need the state came up with the platform for entrepreneurship development in the form of Jammu and Kashmir Entrepreneurship Development Institute. The present paper is about the role of Jammu and Kashmir Entrepreneurship Development Institute in developing an entrepreneurial Orientation among the people of Jammu and Kashmir and therefore leading the entrepreneurship development of the state in general and people in Particular.

**Keywords:** Entrepreneurship; Entrepreneurship Development; Jammu and Kashmir Entrepreneurship Development Institute and Growth.

**INTRODUCTION:** Entrepreneurial growth is the most important factor responsible for the growth and development of the entrepreneurship at any place. It is the contemporary concept having a broad horizon to activate the production and progress of any place. Darakhshan (2011)<sup>1</sup> says that Entrepreneurship is not an ascribed state of mind or body but can be developed after certain set of training and skill development. Entrepreneurship development has become an indispensable sphere for the growth and development of any place. In order to cater this need the state came up with the platform for entrepreneurship development in the form of Jammu and Kashmir Entrepreneurship Development Institute. Specht (1993)<sup>2</sup> mentions that entrepreneurship is about the creation of a systematically planned, properly organized and highly managed product with drastically upgraded yield from resources and therefore create a new source of market with a new customer. For the development of entrepreneurial orientation Culture, education and environment have an internal locus of control. Bamzia, P. N. K (1973)<sup>3</sup> writes that it has turned out to be a world wide movement which spreads across countries regardless of their level of development or even of their basic mentality or even value orientation towards the business activities.

The entrepreneurship development is viewed as the latent or the manifest consequence of East India Company's arrival in India as it gave a new stimulus to the Indian businessman by injecting various changes in the Indian economy and accelerates the export of raw

material and import finished goods. In the recent years, especially since 2004, the Jammu and Kashmir Entrepreneurship Development Institute has emerged as important institution for the development of entrepreneurial orientation in the state. The contribution to the employment development is also observed. The provision of certain packages to the educated unemployed youth of Jammu and Kashmir in the form of certain schemes sponsored by Center and State Governments have made the things easier for the state people and less risk prone. These schemes include the facilities of financial assistance, and training. The assistance under these schemes helped people to consider the entrepreneurship as a growing career choice and therefore witness a paradigm shift from sticking to Government jobs only and develop an entrepreneurial orientation among the people of the state. The characteristics of entrepreneurship are more of creativity, innovation, resource gathering and finding out of an economic organization that gives us a chance of gain under risk and uncertainty. It is a kind of sensitive activity which helps to generate and sustain the economic growth to develop an orientation of profit making and boost the employment too. Schumpeter (1942)<sup>7</sup> mentions that an entrepreneur is an innovative agent of growth and change where resources are scarce and therefore new combinations with an existing set of resources contributes to the economic growth. Watson (1995)<sup>6</sup> says that entrepreneurship development is one of the most significant and essential was of expanding the industrial development of

the society. It is an activity that initiates, promotes and maintains the production and distribution of wealth. McClelland (1961)<sup>8</sup> views the role of entrepreneurs differently as that of an omnipotent creator. It an activity that cannot be inherited only but can be learnt too and the best way to learn is to practice it as it is more of practice an experiment then of art or any science. It is a new way to start and extend the social and political entrepreneurship activity as very rarely does an efficient state discuss the economic conditions without the reference of entrepreneurs and their importance in creating more prosperous future for the citizens of the state. Source: J&K Directorate of Industries and Commerce. (1973) "Industrial Potentialities Survey Report of Srinagar District" Srinagar: Small Industries Service Institute.

Global Entrepreneurship Monitor has noted a wide range of variations in entrepreneurship activity throughout nations of the world while the average percentage of world's population involved in the entrepreneurship activity was near 9% for the period of 2001-2003, the range of activity in the 40 countries analyzed spanned from low a low of 2% to high of 29%. The Global Entrepreneurship Monitor suggests powerful role to the entrepreneurial orientation and the entrepreneurship development of a place. In addition to the role of Global Entrepreneurship monitor, the impact of culture and environmental factors are perceived to influence the entrepreneurial orientation of the people.

**Entrepreneurship Development in Jammu and Kashmir:** Jammu and Kashmir is found to be one of the best entrepreneurial destinations of world besides the problems of conflict and climate hamper the normal course of entrepreneurial action. The people of the state are innovative in nature with a workable and efficient ideology. A study by Mercy Corps under the Project of SKYE (Start Up Kashmiri Youth Entrepreneur) reveals that majority of the people in the state ant to be self-employed but the low entrepreneurial orientation makes them lag certain qualities of entrepreneurship and therefore suffer in the field of entrepreneurship. The study also reveals that people over their also feel deprived of the knowledge and the essential requirements of the business too. Barker A. F. (1933)<sup>4</sup> finds that Jammu and Kashmir is the rich heritage of the handicrafts, tourism, wood carving and paper Mashhi too, but still it has been observed that the state is least counted among the entrepreneurially sound states of the world. In order to deal with the declining rate of entrepreneurial orientation and entrepreneurship development, the emergence of Jammu and Kashmir Entrepreneurship Development Institute is proving as one of the good intervening agency in

the problem. The state has given an important mandate to Jammu and Kashmir Entrepreneurship Development Institute to help, train and mentor aspiring and practicing entrepreneurs through counseling, awareness and consultancy and research. The institute started its regular activities from February 2004 and has been playing a very dynamic role in creating a pro entrepreneurial environment. It is established in the three regional centers at Jammu, Srinagar and Leh. However the main campus of the institute is in the district Srinagar of Jammu and Kashmir located at Pampore. The function of the institute is mostly the financial assistance under four schemes. The Seed Capital Fund Scheme, (SCFS) The Youth Start Up Loan Scheme (YSLS), Himayat and National Minorities Development Finance and Corporation (NMDFC). A subsidy amount is also provided under the scheme of Seed Capital Fund Scheme and Youth Start Up Loan Scheme. However under the Himayat and National Minorities Development Finance and Corporation, the interest rate is levied is low for the entrepreneurship development.

**Description box for understanding the financial assistance breakup through JKEDI:**

Name of the Scheme	Finance	Subsidized Money
Seed Capital Fund Scheme	65% through J&K bank.	35%
Youth Start Up Loan Scheme	8(lakhs) through JKEDI itself	-
National Minorities Development Finance and Corporation	10 lakhs	-
Himayat	-	-

**Objectives of the Study:**

- To understand role of JKEDI in development of entrepreneurial orientation among the people of Jammu and Kashmir.
- To understand the role of JKEDI in the entrepreneurship development of Jammu and Kashmir.

**METHODOLOGY:** The study is about the organization level of investigation and so broadly descriptive and evaluative in nature. However intensive interviews were carried out personally on the basic of a structured interview schedule to collect the required data and then interpreted respectively. A sample of 50 respondents is interviewed for the study to understand the entrepreneurial orientation and entrepreneurship development of Jammu and Kashmir.

**Data Analysis and Interpretation:**

**Table 1: Main Reasons responsible for the Emergence of JKEDI.**

Reason	Responses	Percentage
Nurture Youth with an Idea of Entrepreneurship	26	34.6
Generate Employment	32	42.6
Industrial backwardness	6	8
Improve the economic dimension of Jammu and Kashmir	11	14.6
<b>Total</b>	<b>75*</b>	<b>100</b>

\*Multiple Responses

The study reveals that essential factor responsible for the emergence of the JKEDI is to nurture the youth with an idea of Entrepreneurship. However the generating up of employment is also a main focus as Jammu and Kashmir is the largest state with highest ratio of unemployed people. Therefore the employment generation is one of the main reasons for JKEDI inception.

**Table 2: Steps taken to develop Entrepreneurial Orientation in the people.**

Steps taken	Responses	Percentage
Financial Assistance	44	57.14
Training	24	31.16
Mind Set Building	5	6.49
Exposure to Entrepreneurial Environment	4	5.19
<b>Total</b>	<b>77*</b>	<b>100</b>

\*Multiple Orientation

The conflict in Jammu and Kashmir has led the State to lag behind in the entrepreneurial competencies; therefore the level of such orientation is also very low. The study shows in order to develop such competencies again, the financial assistance and training plays a very incredible role.

**Table 3: Factors affecting the Entrepreneurship Development.**

Factors	Responses	Percentage
Political	33	32.03
Economical	25	24.27
Psychological	33	32.03
Social	12	11.65
<b>Total</b>	<b>103*</b>	<b>100</b>

\*Multiple Response

The factors affecting the entrepreneurship development in Jammu and Kashmir are varied in number,

However the political, economic and psychological factors are proving devastating in nature and affecting the entrepreneurship development in the state of Jammu and Kashmir.

**Table 4: Entrepreneurship Development Programmes and Entrepreneurship development.**

EDPs	Responses	Percentage
Impart technical and managerial guidance	40	33.89
Capital Management	32	27.11
Impart Entrepreneurial Skills	23	19.49
Confidence Building	23	19.49
<b>Total</b>	<b>118*</b>	<b>100</b>

\*Multiple Responses

The study shows that Entrepreneurship Development Programmes play a very important in the entrepreneurship development of Jammu and Kashmir. Majority of the respondents reveal that EDPs help to impart technical and managerial guidance. Moreover proper usage of capital is also being imparted through EDPs to the budding entrepreneurs.

**Table 5: Importance of basic parameters In Entrepreneurship Development**

Parameter	Responses	Percentage
Finance	45	30
Training	38	25.33
Awareness	31	20.66
Exposure to Entrepreneurial Ideas	36*	24
<b>Total</b>	<b>150</b>	<b>100</b>

\*Multiple Response

Entrepreneurship development is the result of multiple factors taken together. The study reveals that finance, training and awareness are the indispensable parameters responsible for the entrepreneurship development in the state of Jammu and Kashmir.

**Table 6: Change in Perception due to JKEDI help.**

Perception	Responses	Percentage
Yes	38	76
No	12	24
<b>Total</b>	<b>50</b>	<b>100</b>
Tendency towards entrepreneurship Developed	45	56.96
More Exposure to entrepreneurial World	34	43.03
<b>Total</b>	<b>79*</b>	<b>100</b>

\*Multiple Responses

Perception plays a vital role in deciding about the career of a person. An institutional role is significant in helping to frame any perception. The study too reveals that majority of the respondents feel that JKEDI has helped them in changing the perception towards the entrepreneurship development and entrepreneurial tendencies too have got developed in the people of the state.

**CONCLUSION:** The field of entrepreneurship is found to be one of the essential determinants for the socio-economic growth of any place. The planners and the social policy makers have find it one of the essential methods responsible for the change of any system. The innovative approaches and the idea of creative destruction is found to have a positive impact on the society. The study too reflects that entrepreneurship has come as an essential tool to eradicate the problems of unemployment. It is also observed that JKEDI has come up as the essential body responsible for the development of entrepreneurial orientation in general and entrepreneurship development in particular. As a single specialized organization of Jammu and Kashmir, the role in improving the entrepreneurial orientation is appreciable as a change in paradigm is witnessed from sticking to Government jobs only and being entrepreneurs with the entrepreneurship as their career.

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