



## It's always a good time to start a business

**In India, entrepreneurship is still considered natural only to certain communities with a tradition of being in business**

By K Jayshankar



In the current scenario of economic downturn, when 'layoff' is becoming a common term, many employees working in companies are now faced with the uncertainty of a dim tomorrow.

Agony columns often advise people to start afresh in this situation, as many are left wondering whether they did the right thing by choosing to work for a company in the first place. This is easier said than done, of course.

So is entrepreneurship the answer and can anyone become an entrepreneur?

An 'entrepreneur' is commonly understood to be the founder of a business, a person bold enough to venture into the unknown world of commerce, with an appetite for risk and pursuing plans in the hope of substantial rewards. The very nature of the task indicates that he must have the stomach for charting unknown paths among the multitude who seek certainty in life.

This is not to assume that today's entrepreneur is driven only by intuitive feel and impetuosity. More than any time in the past, the difference today is striking, with the entrepreneur more likely to be armed with a business degree, a spreadsheet of his business plan, and perhaps hooked into a network providing him a supportive community of like-minded persons.

Despite this never-before support structure, in India, entrepreneurship is still considered natural only to certain communities with a tradition of being in business. Given the historical stratification of Indian society, entrepreneurship is still a novelty to the largely 'service' minded classes. However, the post-1990 era — viewed by many as the 'economic independence' movement — coupled with the Information Technology breakthroughs, has finally liberated the intellectually-oriented middle class and infused them with the spirit of entrepreneurship, which was missing for decades.

In this context, a recent study by The Economist magazine highlighting the five myths concerning entrepreneurship makes for interesting reading.

The first is that entrepreneurs are lonely individuals, fighting their own cause in an aggressive and unforgiving world; the truth, of course, is otherwise. Given that business is a social activity, entrepreneurs need others to succeed. In fact, the ability to partner with other agencies and individuals is paramount to their success. The second myth is that entrepreneurship is for the young and uninitiated, leading many to believe that once you are past 30 years, there are little chances for your success.

Quite to the contrary, there are adequate examples of successful entrepreneurs who began when they were long past their early adventures as greenhorns in the business world. The study quotes a finding that during the period 1995-2005, even in the technology sector, considered to be the creative domain of the young and the restless, the average entrepreneur was 39 years old before venturing out to start a firm.

Most people, when quizzed, would cite the lack of capital as the chief deterrent that holds them back from their own venture. The reality, according to the study, is that more often the money comes from personal debt or from the three 'fs' — friends, fools and families. Venture capital as a source and primary driver of entrepreneurship turns out to be the overrated third myth.

Waiting for the unique game changing product, service or idea is the fourth myth. Those entrepreneurs who have got started, more often than not have created successful businesses, which are improvements of existing models, and not 'killer apps'.

Do large firms kill the entrepreneurial spirit? Quoting examples, the study nails the final myth that entrepreneurship flourishes only in small-scale setups. Perhaps against odds, some large organisations have created a climate where intrapreneurs (home-grown innovators and risk-takers) have taken charge and created business history with stories of organisational transformation.

So, is this a good time to become an entrepreneur? The answer: any time is a good time for someone who is self-motivated and hungry to venture into the unknown, if he walks to the rhythm of Emerson, 'Do not go where the path may lead; go instead where there is no path and leave a trail'.

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